What Higher Silver Prices Mean to Canadian Mines (Page 16)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGES 14-15-16

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The Nation's Business

Business Shows New Vitality

Northern Ontario Power Fight Is Avoided

Tariff Board Wins Support in Britain

The Challenge of the Dollar

Returning Prosperity?

ANYONE with paper and pencil and an aptitude for statistics can find ample evidence these days to support the view that Canada is not behind other nations in respect of business recovery.

It is illuminating for instance to notice that the physical volume of business in Canada is currently 14 per cent higher than at this time a year ago. The corresponding figure for most countries is more nearly 10 per cent.

Other key figures in Canada show in many cases an even better margin of improvement over the same month a year ago. In almost every case the figures show September, 1933, results as compared with the same month in 1932.

Automobile sales	+ 31.1%
Steel ingot production	+ 66.5%
Bank debits	+ 17.0%
Electric power output	+ 16.4%
Pig iron output	+440.0%
Exports	+ 36.0%
Imports	+ 12.3%
Cigarette consumption	+ 28.0%
Employment:	
(a) in manufactures	+ 2.7%
(b) in all industries	+ 4.2%
Vol. of business (F. P. Index)	+ 14.1%
Business failures (number)	— 22.1%
Wholesale prices	+ 3.0%
Farm prices	+ 15.7%
Car loadings	— 7.1%

Carloadings, it will be noticed, is the only item to make an adverse showing. This is due very largely to the shrinkage in grain loadings as a result of the much smaller 1933 crop.

* * *

FOR the future there are one or two aspects of the current business situation which will bear emphasis.

It is obvious that the rise in farm prices (15.7 per cent in the past year) has been nothing like sufficient to offset the decline in farm purchasing power due to a poor crop. This means that with a few exceptions the western farmer cannot be looked on for support in business revival for some time to come.

The most solid sector of the business front is undoubtedly the improvement in world business and other special factors which have given substantial impetus to Canada's export trade and have given new hope to sawmills, packing plants, automobile factories and many other smaller lines.

It is probably to these export markets that Canada must look for the greatest encouragement in business. The two weak spots will probably be the grain-growing prairies and the news of disappointing business strife which is all too liable to emanate from the United States in the next few months and which may tend to cloud, for Canada, the steady improvement in business which is evidenced in most countries of the world.

* * *

Britain Hails Tariff Board

THE decision of the tariff board in regard to arbitrary valuations on jute may have been based upon a legal technicality as is charged in some circles, but it has been hailed with such enthusiasm in Great Britain (and by consumers generally in Canada) that it would be politically difficult for the government to re-open the case at the present time.

Ever since the appointment of the Canadian Tariff Board there has been scepticism regarding it in Great Britain. Now, without any very careful analysis of exactly what was involved in the jute appeal, British newspapers and British business men have hailed the decision of the board as exceedingly generous on the part of Canada. The decision has, in fact, completely restored their faith in the Tariff Board and raised high the prestige of that body in Great Britain. For officials of the customs branch to search for a roundabout way by which to evade the ruling of the Board would have a most unfavorable effect in the Old Country.

* * *

THE decision that the duties arbitrarily imposed on jute and other imports were ultra vires of the customs officials would never have been made by the old Customs Appeal Board. As was often pointed out in The Financial Post, the Customs Appeal Board consisted of the same officials of the department of National Revenue who brought in the rulings in the

(Continued on page 2, col. 3)

SAY BENNETT PLANS REFORM COMPANY LAW

Dominion and Provinces May Legislate Uniformly This Year

START NEGOTIATIONS

Investment Bankers' Association Working Out Plans For Uniform Acts to Aid Ottawa

From Our Own Correspondent

OTTAWA. — Negotiations between the federal department of justice and the Attorneys-General of the provinces, looking to a revision of the Companies Act have been started and it is hoped that progress will be sufficiently rapid to enable fairly uniform company legislation to be enacted not only at Ottawa but in the provincial legislatures during the coming year.

Instructions to promote these negotiations, apparently, came from Premier R. B. Bennett who is desirous of implementing the resolution approved at the Dominion-provincial conference held at Ottawa last January.

State Department View

While federal law officers and representatives of some of the provinces, as well as of such private organizations as the Investment Bankers' Association, are now engaged on this task, there is no suggestion here that the purpose is to "reform" the existing federal statute in the interest of the ordinary investor.

The federal state department, which administers the Dominion Companies Act has been opposed to this "reform" movement from the outset and has not abated this attitude to any extent.

Investment Bankers Active

Some apprehension is felt by leading Canadian investment bankers, lest the Dominion and Provincial Governments take steps to enact uniform companies acts which might be so severe as to dry up new securities offerings entirely, as has occurred in the United States, The Financial Post is informed. In consequence, the Investment Bankers' Association of Canada is actively engaged in working out plans for uniform companies acts which would conform to various betterments which have been suggested in the last year, but which would not go so far as the prohibitive American Securities Act. The I. B. A. hopes to help Government officials with suggestions of practical value, it is understood.

Despite the reluctance of the state department at Ottawa to undertake revision of company laws for the protection of investors, it is to this end that the I. B. A., some leading barristers, and others are working.

Last January it was agreed by the provinces and the Dominion that uniform companies acts should be enacted and maintained. Since then nothing has been done in legislating to that end. Most of the provinces were in favor of the proposal last winter, it is understood, but Ontario and Quebec are said to have been reluctant to bring their acts into line. Recent discussions between the Dominion and Ontario and Quebec, therefore, have a special significance because it is thought in authoritative quarters that there is unlikely to be much difficulty in getting the other provinces to enact uniform legislation.

At present Manitoba and British Columbia are considered to have the best acts for protection of investors. But a few good acts are of little use since companies can be organized under whichever jurisdiction is weakest. Many criticisms have been voiced of the Dominion Companies Act, some characterizing it as among the least satisfactory to investors of the ten Canadian companies acts.

New President

JACKSON DODDS

Joint general manager of the Bank of Montreal, who will head the Canadian Bankers' Association during the next year.

NAT. GROCERS OFFER BONDS YIELD 6.40 p.c.

To Pay Off Liabilities Incurred in Meeting 1932 Maturity

National Grocers Co. is offering $1,250,000 of six per cent, 15-year, first mortgage bonds at 96, yielding 6.40 per cent, through a syndicate comprised of Nesbitt, Thomson & Co., McLeod, Young, Weir & Co. and R. A. Daly & Co. This is the largest offering of corporation bonds on the Canadian market since early in 1932.

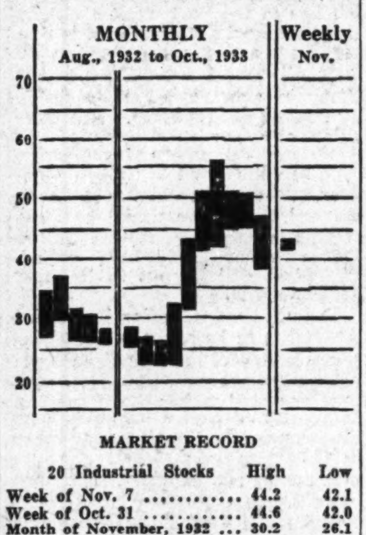
The issue is being made to fund liabilities incurred in meeting maturity in the United States of $1,086,500 of 6½ per cent gold notes on Aug. 15, 1932. Including U. S. exchange of $160,545, the redemption cost the company $1,247,045. This has been financed by temporary bank loans for nearly 15 months, pending a more favorable bond market in which to float a new issue.

Earnings of the company available for bond interest of $75,000 yearly on the new issue, according to the last two annual statements,

(Continued on page 2, col. 1)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Nov. 7	44.2	42.1
Week of Oct. 31	44.6	42.0
Month of November, 1932	30.2	26.1
10 Public Utilities		
Week of Nov. 7	49	47
Week of Oct. 31	49	47
Month of November, 1932	48	43
8 Bank Stocks		
Week of Nov. 7	172	169
Week of Oct. 31	175	171
Month of November, 1932	173	161

WET PLUNGE WILL BE TAKEN BY U. S. DEC. 5

Thirty-Sixth State Declares Against 18th Amendment

CHANGE NOW SURE

Only Ratifying Convention of Last Voting States Now Required — Anxiety Regarding Distillers' Code

With the 36th state declaring for repeal of the 18th Amendment to the United States constitution, only the formality of the state convention on December 5 next is needed to end prohibition in the United States. Canadian distillers have, therefore, four weeks in which to make all arrangements for rye exports in the short period before Congress can be called (probably early in January) to change the present imposts upward or downward. It will also be of great help to various United States syndicates which have been purchasing options of large quantities of aged ryes in Canada and of Scotch whiskies in the United Kingdom as well as to those large companies which have made their own arrangements for export.

The only sizable cloud on the horizon to exporters is that no one can say how foreign distillers will fare under the Distillers' Code now being prepared and soon to become law. United States distillers are being asked to pay a minimum price above the market price for grain supplies and it is quite probable that in some way imports will be loaded with charges sufficient to remove any advantage this gives to foreigners. At the moment, the scarcity of whisky with relation to the estimated demand may lead to some delay in dealing with the situation. Some even say that the United States Congress may be called to a special session in order to legalize new taxation, both excise and customs. Present customs duties are quite high, however, and only a high internal price will permit import.

Walker to Market Orderly

The Financial Post is informed that even under present conditions, Hiram Walker-Gooderham & Worts

(Continued on page 2, col. 6)

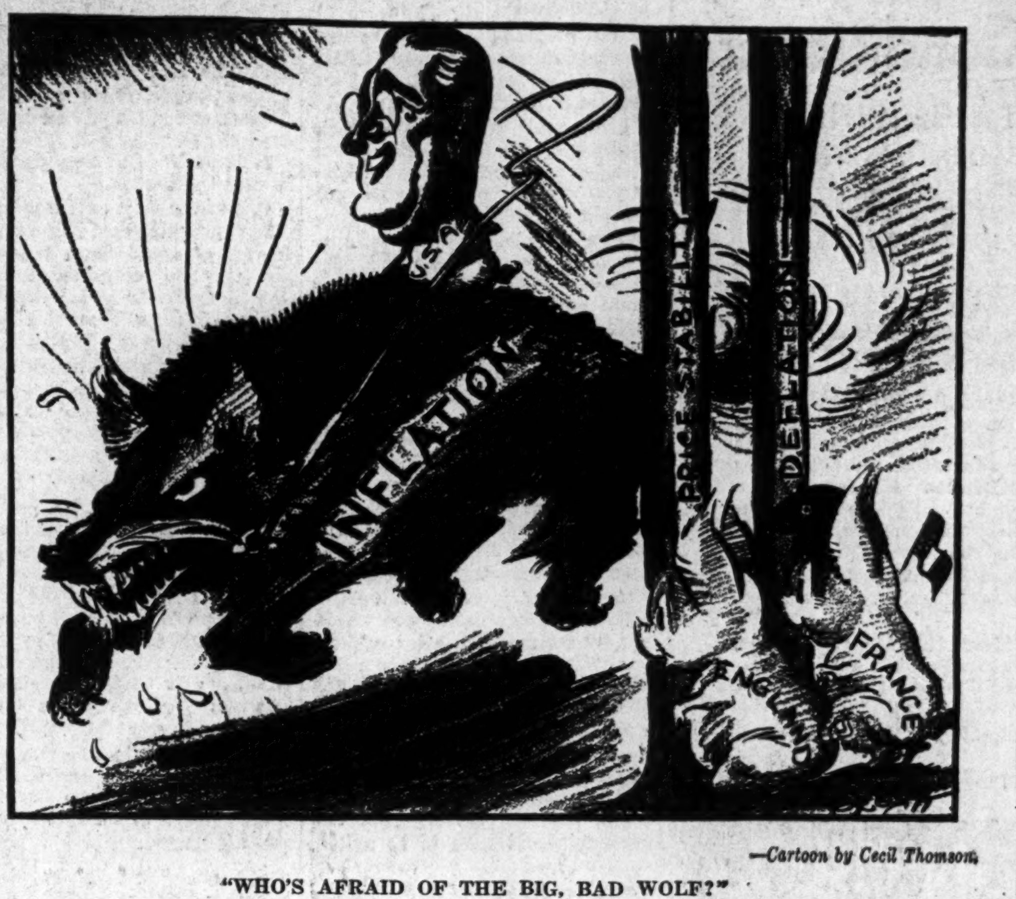
Wheat and Flour Exports Halted By Price Break

October returns show a substantial gain in wheat exports over the previous month but the total is 42 per cent below the high levels attained in October a year ago. Wheat flour exports were higher during the first part of October but the slump in prices in the second part of the month caused the demand to dry up, buyers being content to wait and see where prices settled before making any commitments.

Commodity markets again had an unsatisfactory week, chief interest being centred on the international currency battle. Little interest was shown in the wheat market and it was generally rumored that stabilization purchases were necessary at Winnipeg to maintain prices. Cattle and hog prices continued steady with irregular gains being recorded in the chief Canadian markets. Further depreciation of the United States dollar resulted in slight gains in cotton and a speculative outburst boosted rye prices at Chicago.

Monthly		Change From Prev. Period %	From Prev. Year %
	October, '33		
Wheat exp., bu.	23,305,510	+52.4	—42.0
W'flour exp., bbls.	514,368	— 7.0	— 2.9
	September, '33		
W'flour prod. bbls.	1,392,683	— 3.5	+ 0.6
Immigration, No.	1,438	+15.3	—23.1
	August, '33		
Gasoline sales, gal.	61,862,000	+ 9.5	+ 0.3
Weekly*			
Carloadings, No.	49,502	— 4.3	+ 6.0
Cattle sales, No.	21,135	+ 5.2	+51.7
Hog sales, No.	22,627	+ 5.4	+ 4.0

The Three Little Pigs



—Cartoon by Cecil Thomson.

"WHO'S AFRAID OF THE BIG, BAD WOLF?"

Trade Body and Price Deal Feature Newsprint Field

Canadian Producers Will Bond Together — Talk of Pooling Tonnage — Price Bros. Situation Draws Attention

From Our Own Correspondent

MONTREAL. — Plans for the formation of a new association of Canadian newsprint manufacturers and prospects of a struggle for the control of the valuable properties of Price Bros. & Co. were the highlights in developments affecting the Canadian newsprint industry over the past week.

Early in the week manufacturers from all over Canada met in Montreal to discuss the situation arising out of the meeting with American and continental newsprint operators in Washington the previous week. In order to stabilize the industry and facilitate the uninterrupted entry of newsprint into the United States, the Canadian producers decided to form an association to co-operate with a similar association formed in the States under the provisions of the N.R.A.

Industry Well Represented

The meeting was one of the most representative held in a long time. Representatives of manufacturers in British Columbia, Ontario, Manitoba, Quebec, New Brunswick and Nova Scotia, were in attendance. They were all in accord and have agreed to further the aims and objects of the newly-formed association.

May Pool Tonnage

Though no definite agreements were entered into by the members going to make up the Canadian association it is understood that one of the main objects, aside from the elimination of price cutting, will be the pooling of tonnage. The tonnage will not be distributed pro rata according to capacity, but will be handled in such a way as to relieve the pressure on some of the companies not so fortunately located in respect to business on hand. In this way it will be possible to secure co-operation voluntarily and not by bringing pressure to bear.

It is the feeling among the majority of Canadian manufacturers that nothing should be done in marketing newsprint in the United States that would bring the Canadian industry into conflict with the N.R.A. programme. The United States Government has the power to penalize any foreign manufacturer not living up to the general principles of the N.R.A., but it is considered to be in the best interests of the Canadian industry to see that everything possible is done to co-operate with the American producers in living up to the Newsprint Code.

Power to Punish

The famous Section E. of the National Recovery Act is a potent weapon that can be used against any Canadian manufacturer of newsprint if he adopts an attitude inimical to the smooth-working of the newsprint code. None of the producers in this country want to see that section enforced. One of the best ways of avoiding any penalties that might be imposed under the N.R.A. is to co-operate and with that in mind, the manufacturers here are forming an association similar to that in the States.

Price Bros. in Spotlight

Next to the association in interest, more so to the public, is the question of who is going to get control of Price Bros? Hon. Gordon Scott's action on behalf of the creditors in throwing out the plan submitted by Bowater's Paper Mills precipitated a dispute that had been anticipated for some time.

The Bowater scheme is generally known, if not in its entirety, then in its main features. So far the committee, which accepted the plan, has not put forward the official proposal to the bondholders. It is believed, however, that details of the plan are near completion and the plan will be mailed to bondholders within the course of a few days.

Meantime everyone is waiting to see what the next move will be in the fight to get control. No direct action is expected by Bowater's, as that company's offer having been accepted it is up to the committee to carry it through.

The creditors' trustee expects a new scheme of arrangements from interests representing Lord Beaverbrook, Lord Rothermere and the Duke-Price power group.

Auction Block Stumbles

In some quarters it is said that the committee will foreclose and put the property up for sale. This would be the natural thing to do, but some difficulty may arise in this connection as the company has to secure certain titles from the provincial government before it can put the property on the auction block.

It is possible that the provincial government may hold off issuing the titles until the second scheme of arrangement is put forward as it is of considerable importance to the northern sections of the province that the rehabilitation of Price Bros. & Co. be carried out on a basis which will be in the best interests of all concerned.

By the middle of this month, if not sooner, it is expected that the situation will clarify and it will then be possible to see which group will secure control of the property.

Highlights of the week

International Trade

Owen D. Young, one of the world's foremost financiers, discusses business enmity between the nations. What "annihilation of space" by science means to international trade warfare. Page 9.

U. S. Gold Policy

Why financial New York distrusts gold manipulation. Told by Dr. Gaines T. Cartinhour, of New York University. First of several articles by this authority. Page 6.

New Motor Cars

Elimination of front axles, new streamlining, "airplane pants" and other innovations will feature the 1934 cars which you will be viewing in a few months. Page 13.

Interest and Prices

Comparison of interest rates in Canada with prices and with rates elsewhere in the Empire show discrepancies. Why lower interest rates might help recovery. Page 9.

French Friendship

French importers like Canadian wares, but have to pay high duties to get them. Why they are willing to do it. Page 9.

Tariff Controversy

Dumping of the dumping duties on British goods and the first downward tariff revision in over three years create controversy in Ottawa. How it came about and what it means. Page 9.

Lumbering Revival

Lumbering, one of Canada's chief basic industries, is coming back. With the revival, bank loans and stocks are melting. Where the demand has developed. Page 3.

Cool Air

How air conditioning is being used in business to improve sales and working conditions. Restaurants, furriers and manufacturers are using it to advantage. Page 3.

Silver Mines

Which mines in Canada stand to gain from a rise in the world price for silver? The mining editor shows there are many Canadian silver producers. Page 16.

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NARROW BASE NOW OUTLINED FOR NEW TAX

Government States Not All Exporters Need Pay Income Tax

RYCKMAN TO DECIDE

Interpretation of Contentious Clause Left in Hands of Federal Minister

From Our Own Correspondent

OTTAWA. — Important developments have occurred in the past week with respect to the imposition of the income tax on foreign exporters. As it now stands this policy is being enforced on a much narrower base than was originally reported.

Whether this is due to a change of heart by the Federal Government, induced by the many protests which have been received from foreign governments and from foreign exporters; or whether, as is stated by high officials at Ottawa, there was originally a misconception of what the government intended—is a moot point.

At Minister's Discretion

The announcement in The Post two weeks ago was based upon information obtained from very reliable sources and it is also true that statements to the effect that the government never intended to tax all foreign exporters are made on the very best authority. The confusion is probably due to the fact that the new income tax policy rests not upon the strict letter of any statute but upon the discretion of Hon. E. B. Ryckman, minister of National Revenue.

The section of the income tax act which is being invoked was originally enacted in 1923 and appears in the Revised Statutes of 1927. It remained a dead letter until a few weeks ago. Under its provisions all foreign exporters are liable to the tax. The text reads:

"Any non-resident person soliciting orders or offering anything for sale in Canada through an agent or employee, whether any contract or transaction which may result therefrom is completed within Canada or without Canada or partly within or partly without Canada, or a non-resident person who lets or leases anything used in Canada or who receives a royalty or other similar payment for anything used or sold in Canada, shall be deemed to be carrying on business in Canada and to earn a proportion or part of the income derived therefrom in Canada. The minister shall have full discretion in determining such proportion or part."

Not All to be Taxed

It is now pointed out that the controlling sentence in this section is the final one giving to the minister "full discretion," and that Hon. E. B. Ryckman will not seek to impose the tax upon all foreign exporters who ship goods to this country. Precisely what import trade will be subjected to the tax is difficult to define for the reason that the whole policy is nebulous and not susceptible of clear-cut definition. Mr. Ryckman, it appears, will decide each case and no attempt will be made to classify import trade by hard and fast definitions.

In a general way, it is understood that the tax will be levied upon all foreign exporters who sell in Canada through agents or employees. The word agent, conceivably, might be construed as any importer who places orders with foreign produc-

(Continued on page 2, col. 2)

Think of It!

The Education of Mr. Bennett on Business Problems

The millions spent on advertising over a long term of years by our most experienced, steadily expanding concerns is evidence that it sells more goods.

Mr. Bennett has made the sales of more goods his main political objective in creating employment and helping Canada to pay the billions of unnecessary debt forced on us by foreign moneylenders and contracting racketeers—mainly the great public ownership railroad debt assumed by his Conservative predecessor, Mr. Meighen, but strongly opposed by Mr. Bennett.

Letter postage is the most profitable source of Government revenue. It costs nothing to collect. Every increase in the sale of stamps means more Government profit. A British Government investigation found letters written in reply to advertisements actually brought the P.O. more net profits than to the advertisers, hence the cann; British official encourages advertising. Every answer means at least two letters—a good thing also for papermakers, envelope makers, stenographers and others.

Recently Mr. Bennett increased by 400 per cent the postage on publications carrying over 50 per cent advertising. This was aimed at big city store advertising. This and other press advertising not only creates heavy letter and parcel post mail but also creates business for out-of-town stores, express and freight traffic. Finally, these sales from advertising create orders for factories across Canada and hence more unemployed are put to work.

Undoubtedly Mr. Bennett means well, but never having served an apprenticeship, say, as a country merchant, he does not understand sales problems. Businesses are not built by "blasting" but by giving buyers what they want and doing it cordially. Should he not, before acting, seek advice from and be guided by his more experienced M. P.'s who know merchandising, or by some good business paper editors who understand these things?

Newsprint Consumption Lags Behind Production Since July

From Our Own Correspondent

MONTREAL.—Available factors bearing on the newsprint industry would appear to indicate that consumption has not kept pace with the increase in production and that publishers are stocking up with newsprint either in anticipation of paying higher prices or due to the closing down of water navigation on the St. Lawrence River and the Great Lakes.

Since mid-year output of newsprint in Canada and the United States, more particularly in the former country, has been appreciably above the figures reported for the same period last year. This is taken, in many quarters, to mean that the industry has turned the corner. Examination of the major indices does not altogether bear out this assumption.

Advertising Still Behind

Newsprint consumption is largely controlled by the volume of advertising. During the first nine months of 1933 the volume of advertising was less than in the same period of 1932. Except for July, each month this year has reported a linage less than a year ago.

The trend of advertising is reflected in the reports on newsprint consumption made by members to the American Newspaper Publishers' Association. This indice is out of line with Canadian production, of which more than 80 per cent is marketed in the United States.

Trend is Different

Calculations made by The Financial Post on the total apparent consumption of newsprint in the United States reveal a trend similar to that reported by the publishers, but out of line in comparison with the Canadian production. Thus since July last consumption has been less than a year ago, yet the production figures keep on increasing.

Comparative figures on advertising linage, consumption and production during the first nine months of 1933 and 1932 follow:

	Advertising (1) Linage 52 Cities (,000 Lines)		Consumption (2) 422 Publishers (1933)	Total Apparent (3) Consumption Tons		Canadian (4) Output Tons	
Month:	1932	1933	Tons	1932	1933	1932	1933
January	100,032	77,957	127,446	266,637	208,451	171,321	140,539
February	97,570	72,539	116,307	213,577	169,431	158,543	124,788
March	109,808	76,364	123,402	273,523	202,553	166,758	137,078
April	108,686	91,053	132,032	248,429	221,530	176,660	148,377
May	106,004	94,649	160,773	271,527	241,066	175,887	170,047
June	100,157	93,168	130,879	237,121	228,583	161,868	171,830
July	80,871	78,319	132,482	208,055	210,765	142,491	180,387
August	78,839	86,339	127,837	224,040	215,143	157,919	194,262
September	93,003	92,618	......	......	......	150,691	179,416

(1) Compiled by Media Records Inc. (2) Reported by American Newspaper Publishers' Association. (3) U. S. Production: Imports; Change in Mill Stocks; Change in Publishers' Stocks; and Change in Stocks in Transit. (4) Newsprint Service Bureau.

C. N. R. Rail Appointments Scheduled for Next Week

From Our Own Correspondent

MONTREAL.—Official announcement in respect to the personnel of the new board of trustees for the Canadian National Railways System, as provided for in the Duff Report on Transportation, will be made sometime toward the middle of next week.

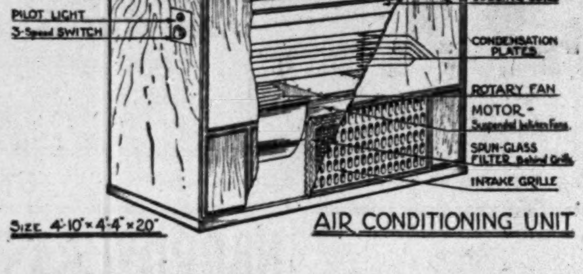
Absence of cabinet ministers from Ottawa during the greater part of the late summer has made it difficult for the Government to come to a decision on the important task of naming the trustees. The Government will adhere to the original recommendation in the Duff report and name three trustees. There was an agitation in various parts of the Dominion for a larger board, but it is felt that the work can be more effectively carried out by having a small group.

Uncertainty continues in respect to the personnel of the board. John C. Newman, prominent industrialist and at present chairman of the Montreal Harbor Commission, is in the lead for the chairmanship. Various names have been suggested for the remaining posts, including that of J. E. Labelle, at present a director of the Canadian National, but nothing official is known in respect to these appointments.

In The Financial Post of May 27 last, it was stated that the likely appointment as chairman of the Canadian National Railways was John C. Newman, Montreal industrialist who is chairman of the Montreal Harbor Commission.

Newfoundland Sells Old Rails

The Newfoundland Railway Commission has recently sold 11,000 tons of second hand railway iron at a price of $10.30 per ton to Richard Natham, of New York City.



A New Air Conditioner

IT FILTERS — IT HUMIDIFIES
IT COOLS—AND DEHUMIDIFIES

Should be in every Home, Office and Factory Building and Institution

This is a wonderful contrivance, designed to filter, circulate and regulate the air at all times.—To cool and de-humidify it in Summer, to heat and humidify it in Winter. As an asset to health and comfort in all seasons, it is invaluable.

Circulation of air is accomplished by two centrifugal fans driven by a direct, connected motor...Filtering is done by glass wool pads ... Heating and cooling are achieved by circulating hot or cold water through deeply tinned copper coils ... Humidification is obtained by a spray of water passing over hot fins...And de-humidification by condensation of the moisture from the air.

New buildings are installing the Air Conditioner as a vital part of their equipment. It can be just as readily and effectively installed in old buildings, whether a home, apartment or other building.

For further information about the Air Conditioner, visit EATON'S Stove Department where it is being demonstrated. Any member of the staff will be glad to explain its advantages.

Deferred Terms may be arranged on equitable terms.

Stove Dept., Eaton's Main Store, Basement, Queen Street

THE T. EATON Co LIMITED

NAT. GROCERS OFFER BONDS YIELD 6.40 P.C.

(Continued from page 1)

before payment of former interest charges, were as follows.

Earnings According to Annual Statement Years Ended June 30

	1933	1932
	$	$
*Net earnings	391,491	356,646
Times int. earned on new issue	5.22	4.75

* After depreciation and income tax.

Earnings calculated by Price, Waterhouse & Co., chartered accountants, after allowing for savings in interest from the new issue, but before income tax, showed the following available for interest payments on the new bonds:

Earnings Calculated by Auditors Years ended June 30

	1933	1932
	$	$
*Net earnings	460,144	408,645
Times int. earned on new issue	6.14	5.45

* After depreciation, but before income tax.

Earnings for the three months ended Sept. 30, 1933, are reported to be $35,000 more than those for the same period in the preceding year, as calculated by Price Waterhouse & Co.

First Closed Mortgage

The new bonds will constitute a first, closed mortgage on land, buildings and other fixed assets carried on the company's books at $1,882,740 after deduction of a reserve for depreciation of $473,210. Working capital of the company stood at $1,792,430 at June 30, 1933, compared with $2,816,050 a year previous. The decrease was due to bank loans shown among current liabilities which were incurred in meeting the maturing gold notes above mentioned. After flotation of the present issue, it is estimated that working capital will be restored to about the same level as before maturity of the notes.

A sinking fund of $83,333 annually, starting Nov. 1, 1934, and sufficient to retire the entire issue by maturity, is a feature of the issue. The company also covenants to maintain net current assets at 150 per cent of the amount of bonds outstanding at any time, and not to hypothecate any current assets. The National Trust Co., trustee for the issue, is given power to enforce this provision. The trustee, it is understood, will receive monthly balance sheets, earnings statements and minutes of directors' meetings, and will have the power to take action for bondholders, if current assets are not maintained as stated. This is believed to be the first time such a provision has been made in Canada in connection with a public offering of securities. Net current assets are now approximately 235 per cent of the bonds to be issued, it is understood.

Surplus Increased

The company has only been paying dividends on its preference stock intermittently. The first preferred, carrying the right to eight per cent dividends, was redeemed in 1931. But the seven per cent preference shares were some 49½ per cent in arrears of dividends at June 30, 1933, and the October 1 dividend was omitted. This policy has resulted in a steady annual increase in surplus for the last seven years. The preference shares were originally issued to proprietors of organizations which were merged into National Grocers in 1925 and 1926. Over 90 per cent of these shares are understood to be held by those to whom they were originally issued, or by their representatives.

National Grocers is the largest wholesale grocery organization in Canada, and sells its own products under the trademark. "Gold Medal" to over 10,000 retail grocers in Ontario. This includes 720 "Red and White" stores which are operated by individual proprietors under contract with National Grocers, who supply all their merchandise and advise them on merchandising policies.

Liquidity of Inventories

The company turns over its stock about 10 times per annum, it is understood. No goods are kept in stock longer than eight months. The Financial Post is informed. Inventories stood at $1,806,986 at June 30. Of the accounts receivable, shown in the last balance sheet at $2,136,680, most are for 30 days. Purchases of goods for relief purposes have resulted in 70-day accounts becoming about 16 per cent of receivables. Municipalities are said to be slower pay than many retailers because of the need for authorization of payments.

NARROW BASE NOW OUTLINED FOR NEW TAX

(Continued from page 1)

ers. But what is meant is an agent who acts for a foreign exporter on a straight commission or salary basis. Firms of importers who are independent of foreign exporters, who buy as they please and when they please and are not obligated to accept the goods of any particular foreign producer, will not be touched.

To differentiate as between foreign exporters will require much judgment and a good deal of investigation. It is not disputed, here, that the enforcement of the policy on this narrower base will involve large expenditures in relation to revenue received. The tax will be costly to collect. It is even being suggested that in view of the general antagonism of foreign exporters to the tax, it might be dropped entirely. At the moment, however, the income tax department is proceeding with the enforcement of the tax on the basis outlined.

This announcement will probably clear the air with respect to the new tax. Commercial representatives of British and foreign countries have been sending explanations of the new policy back to their governments, for circulation among exporters. In reply, however, they are being informed that the Canadian income tax department is not really enforcing the tax on the basis outlined. The department, apparently, has notified ordinary foreign exporters, shipping to ordinary importing firms in this country, that they must fill in income tax returns and forward them to Ottawa. Presumably failure to comply will bring government action to curb their exports.

Some of these exporters object strenuously to filling in the forms and also object to the character of the questions which are asked. This is particularly true of British exporters.

Northwestern Utilities Announces Winter Rate

Saving of $50,000 to gas consumers in Edmonton and five other Alberta communities is indicated in an optional winter rate reduction announced by E. W. Bowness, vice-president of Northwestern Utilities, Limited, and Julian Garrett, manager.

The company plans to take steps to have the new rates effective on meter readings from October 28, 1933, to April 26, 1934.

Sanction of the board of utility commissioners is necessary before the new schedule becomes operative. It is optional in that consumers may continue under the present plan or make application to have their meters read on the new basis.

This optional rate will be available to all domestic and commercial customers using gas for their entire heating requirements, save the use of coal in open fireplaces, the officials said.

God's Lake Gold Plans Power Project for 1934

God's Lake Gold Mines, a subsidiary of Bobjo Mines and built around the pioneer discovery by Robert Jowsey in the God's Lake area of Northern Manitoba, has plans under way for the initial development of 3,500 horse power under a 20-foot head at a hydro-electric site on the Island Lake River some 22 miles from the mining site. This power development will supply power to the proposed mill of from 300 to 500 tons capacity. Supplies will be taken in this winter for undertaking this project next year.

The power plant and the mill will be built simultaneously. The company is taking in a steam plant this winter to its property for shaft sinking and preliminary development.

The Nation's Business

(Continued from page One)

first place. They filled the rôle not only of prosecuting attorney but of judge and it was a foregone conclusion that they would support their own rulings. When the Tariff Board was established it was given, among other duties, the job of acting as a customs appeal board and this has brought into appeals a judicial independence that was formerly lacking.

* * *

Expensive Battle Is Avoided

THE people of Ontario may well congratulate themselves that a dog-eat-dog power fight has been avoided in Northern Ontario.

Last year when the Ontario Hydro-Electric Commission came into possession of the Abitibi Canyon power project and gave evidence that it would make an aggressive fight for business among mining companies in the north, The Financial Post pointed out that this could mean only one thing; the Ontario Hydro-Electric system would have to duplicate the Northern Ontario transmission lines of the Canada Northern Power Corp. and in various northern communities now served by the private power company the Hydro would build its own local distribution systems with two sets of power poles on every street. The end of such senseless competition would have been unsatisfactory all around. After having invested millions of dollars in transmission equipment, power stations, etc., after a bitter war, which would probably be marked by uneconomic rate-cutting and other unfortunate features, the private company would probably find itself in a state of near bankruptcy and the people of Ontario would find themselves with a large additional debt. Eventually the two systems would have to be united, probably by the purchase of the private company by the Hydro but the union of the two systems would not restore to investors in the private company their money, that had been wasted, nor would it lift from the shoulders of the taxpayers of Ontario the new debt burden that would be created.

In forecasting this as the inevitable result of the power battle in Northern Ontario The Financial Post was able to refer to precedents such as the long fight between Hydro and Dominion Power & Transmission Company in Hamilton which eventually ended in the purchase at a very high price of the private company's enterprises by the Hydro.

IT WAS because of these considerations that The Financial Post a year ago published editorials urging the two power groups in the north to come together on some working agreement. The plan that was suggested was that the Abitibi Canyon project, owned by the Hydro, should be used as the source of all additional power supplies needed in the North until that huge development of more than 200,000 h.p. was running near to capacity. At the same time, it was suggested that the existing transmission lines and distribution systems of the Canada Northern Power Co. Corp should be used for the distribution of this power. Hydro would be the wholesaler and the private company the retailer.

It is such an arrangement that has been arrived at.

One of the most encouraging implications of the deal is the suggestion it gives of more reasonable public policy on the part of the Ontario Hydro-Electric Power Commission. It shows the desire to safeguard to as great a degree as possible, the financial integrity of the province. It recognizes that the old Beck objective of 100 per cent public ownership of power development and distribution in Ontario was foolish and unwarranted.

* * *

IN ITS major principles, the deal is an excellent one. It promises to reduce the inevitable early losses of the province on the Abitibi Canyon project, which it bought at much too high a figure in a deal that has never been adequately aired, and it tends to protect the interests of investors in Canada Northern Power Corp. securities. These investors include many hundreds of small men and women in Northern Ontario who have purchased stock in customer ownership campaigns.

* * *

Dollar's Challenge to Sterlingaria

WORLD observers who find a steady advance taking place toward recovery add that this recovery is most pronounced in the sterling group of countries. The current Midland Bank Review, according to reports received by wireless, state that recovery is so far advanced in Britain that the 1929 levels of business activity should be restored within two years. Other sterling countries, notably Australia, New Zealand, and Sweden also are found to be recovering strongly.

Naturally, the Midland Bank Review, since it reflects the views of that great advocate of managed currencies, Rt. Hon. Reginald McKenna, attributes the progress of Sterlingaria to the fact that sterling is now a pure managed currency. "Britain's departure from gold," according to the review, "has paid us already a handsome dividend."

* * *

POSSIBLY the Midland Bank places too much emphasis upon the management of sterling as a contributing factor in improvement. In each of the countries mentioned, effective efforts to reduce governmental expenditures have been stimulating factors. And the comparative stability of prices that has resulted from the management of sterling has been largely a relative stability as against a steady decline in prices in the gold countries. Similar price stability in Canada and the United States would be utterly inadequate to meet the crushing debt problem of our governments and private individuals.

One may question whether recovery in the sterling countries is so much the product of managing sterling as of abandoning the attempt to tie it to gold at the old parity, a process which was intensifying the evil effects of deflation.

* * *

PRESIDENT ROOSEVELT has not made clear his own monetary policy, but there is some reason to believe that the purchases of gold in the open market are being undertaken in an effort to give him power to manage American currency in much the same way that sterling is managed. But of course he will aim at a much more rapid increase in prices than the British have sought, and it is the danger of radical and revolutionary inflation measures being resorted to to attain this objective that cast such doubts upon the American programme.

The danger still exists of the American action precipitating a war of competitive currency depreciation. Mr. Roosevelt, whether designedly or not, has launched an attack upon the pound in world financial and trading markets and he may force the British government to take in hand the tools of a much more drastic price raising policy. A battle between the pound and the dollar is at all costs to be avoided. Complete understanding between Washington and London on monetary policies in the coming months is even more important than complete understanding at the moment on the question of war debts.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Low Water on St. Lawrence

THE flow of water in the St. Lawrence has become so shallow this week the Marine Department had to restrict the loading of vessels and in desperation the department is now considering opening the flood gates of the various dams and locks and skimming one foot off the top of Lake Superior. It would take this water a long time to meander down the lakes and into the St. Lawrence but ultimately the depths both in the St. Lawrence canals and the port of Montreal would be raised from three to four inches.

* * *

Titles For Judges?

TO THE surprise of politicians on Parliament Hill, the Canadian Labor party is reported to be rallying to the cause of titles. For 14 years, ever since the House of Commons put the lid on titles in 1919, the question "shall knighthood flower?" has been a controversial one. It is now learned that Humphrey Mitchell, labor member from East Hamilton, proposes to move a resolution next session letting down the bars so far as judges are concerned. If successful the resolution would enlarge the "title" area in Canada to a small extent. Under the 1919 resolution all titles were banned save military decorations awarded for meritorious service. Under the proposed plan, judges would be eligible for knighthoods, baronetcies and so forth.

* * *

Saved From Third Parties

THE Liberal landslide in British Columbia found Ottawa so punch drunk with the results in Nova Scotia and the three by-elections that the reaction was practically nil. Conservatives are not unduly depressed. If they must quaff the hemlock they would rather accept the flagon from the Grits than from nondescript third parties. The failure of the C. C. F. to hold Mackenzie and to make inroads in either Nova Scotia or British Columbia is accepted as proof that the country is satisfied with two party government and is unlikely to indulge in political fads or fancies.

* * *

Three More Radio Units

THE Radio Commission has intimated that, in addition to the broadcasting properties recently acquired in Toronto and Montreal, three new units may be leased next year. The original intention was that the commission should buy or erect broadcasting stations. But the commission spent so much money on other things that there was not enough left to purchase properties. A way out was discovered when commission financiers hit on the leasing of privately owned stations. In this way an annual rental is paid, sufficient to enable the owners to carry the property and gradually write down their investment. At the end of the lease period, the owners still own the property although the commission, in most cases, will have paid a fair purchase price. The three new properties, it is intimated, will be in areas now getting poor broadcasting service. In all probability two of them will be on the prairies, one in central Saskatchewan and the other in Northern Alberta.

* * *

Butter Surplus

BUTTER manufacturers and jobbers have been urging the Government to take a hand in lifting a surplus of approximately ten million pounds off the market, thus enabling good prices to be charged through winter months. Numerous conferences between cabinet ministers and the trade have not produced any workable plan, although a solution to the problem may be discovered before the close of the year. It seems that everybody who may claim to be an expert on butter anticipated that production this year would not exceed domestic requirements. Grasshoppers and drouth in the West and drouth in the East were believed to assure a sharp curtailment of output. Indeed, early last summer Western and Ontario jobbers bought large stocks of butter in Quebec figuring that their own output would be insufficient and that additional butter would be required. The unexpected, however, happened. For reasons that nobody can explain, Western and Ontario producers turned out a great deal more butter than was believed possible with the result that a surplus of 10,000,000 pounds was recorded in production statistics last month.

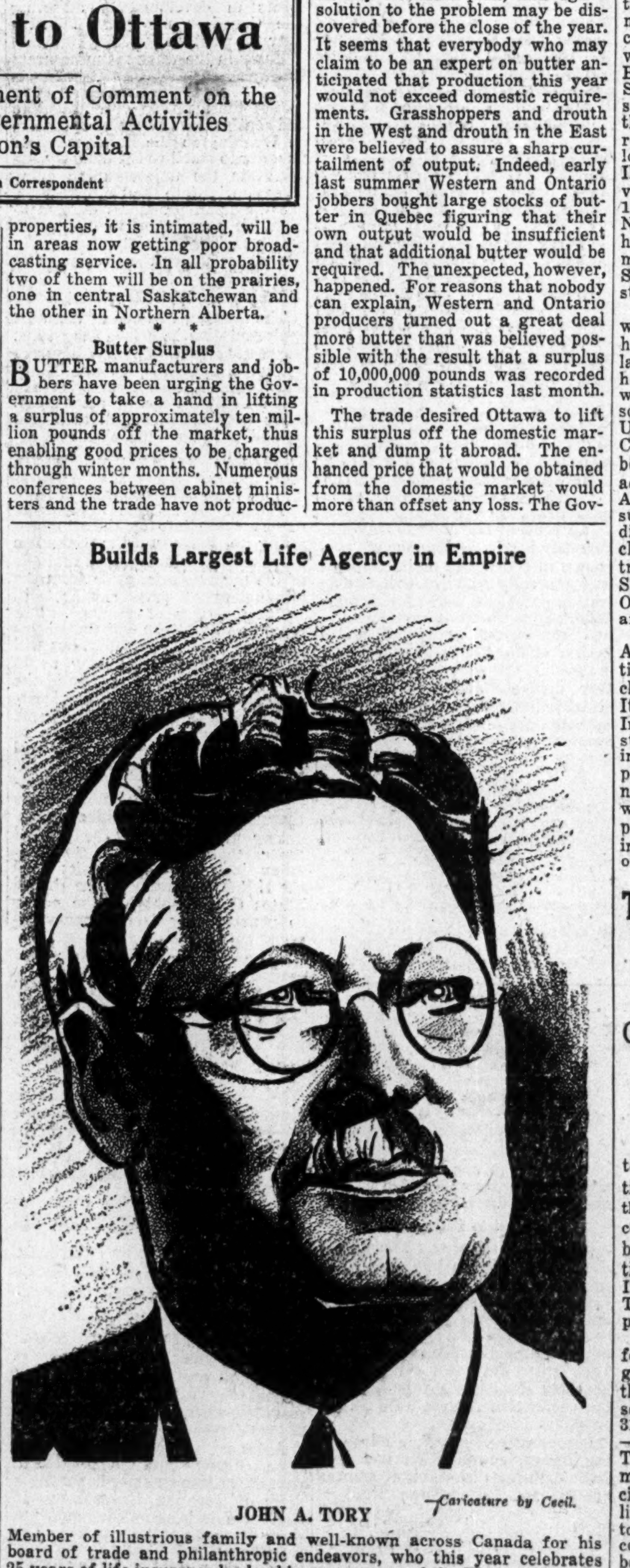
The trade desired Ottawa to lift this surplus off the domestic market and dump it abroad. The enhanced price that would be obtained from the domestic market would more than offset any loss. The Government, apparently, was not prepared to do this but strongly urged the trade to divide the surplus among themselves so that each company or individual would export a fair share. The trade has not been able to do this. Apparently some of them are better able to hold than others. The result has been a sharp break in prices, particularly in the West, and the Government has become conscious of much rural indignation.

* * *

Doors Tightly Closed

IF THE immigration department continues to close the channels of entry into Canada, nobody short of a Houdini will be able to get by. In the good old days our annual inflow of population ran as high as 450,000 and only a few years ago the Government was under criticism because as few as 150,000 people adopted Canada each year as their home. Yet in the nine months ended September 30 last the total immigration was 11,115 and in September only 1,438 eluded the Argus-eyed officials. Most of these were relatives of people already established here and could not be kept out. Total immigration this year will scarcely exceed 15,000.

Builds Largest Life Agency in Empire



—Caricature by Cecil.

JOHN A. TORY

Member of illustrious family and well-known across Canada for his board of trade and philanthropic endeavors, who this year celebrates 25 years of life insurance leadership as manager of the Western Ontario division of Sun Life of Canada. In 1908 this agency had $8,000,000 of business on its books; today it is said to be the largest life agency in the British Empire, with $200,000,000 of business in force. A staff of four, 25 years ago, has grown to 65 under his aegis.

Born in Guysboro, N.S., in 1869, Mr. Tory joined the Sun Life at Canso 41 years ago when the company had but $24,000,000 of business on its books; today it has over $3,000,000,000.

WET PLUNGE WILL BE TAKEN BY U. S. DEC. 5

(Continued from page 1)

has been able to sell f.o.b. Walkerville for more than $5 a gallon. The average payment for the two-thirds of its 14,500,000 gallons of aged whisky which it proposes to sell in the United States will depend on the method of marketing, however. Walker is not expected to take full advantage of boom prices if these obtain. Because of its new distillery it is understood that a policy has been worked out whereby it can supply the market with branded products for the intervening years until the floods of new whisky now being made in its own new, as well as other, United States distilleries are sufficiently mature. The management knows that in that distant period branded products with a reputation will have an edge over others and it is understood to desire the old reputation which Walker brands had before prohibition when it was the largest exporter of whisky to the United States.

Distillers Corp. Makes Contacts

Other large distillers in Canada have their own connections established in the United States. It is believed that Distillers Corp. (England) and its subsidiary Distillers Corp.-Seagram's (Canada) have worked out with American importers plan for distribution in every wet area in the United States.

C. I. Alcohol Makes Hook-up

Canadian Industrial Alcohol, which has large supplies of aged liquors started by the late Sir Mortimer Davis, because of his opinion that the United States experiment in prohibition would end within four or five years, is believed to have worked out plans with National Distillers Corp., the United States distilling giant which has claimed so much stock market attention recently because of its dividend in warehouse receipts for the oldest Bourbon whisky now in the United States, and because of its action in splitting its stock. It is rumored that Canadian Industrial Alcohol recently sold 115,000 Imperial gallons of aged alcohol to the State of Illinois for $6 a gallon f.o.b. Corbyville and available until January 1, 1934, without charge for storage. New York interests are reported to have bought 39,000 cases of partly matured whisky at $7.50 a case f.o.b. St. Pierre Island, where it is now in storage.

Prominent interests connected with Canadian Industrial Alcohol have been much in New York of late. As Canadian Industrial Alcohol has in the past worked closely with National Distilleries, it is reasonable to suppose that plans in the United States for disposing of the Canadian company's surplus would be worked out together. The Canadian company uses some of the American company's trademarks, such as Old Crow and Golden Wedding. Canadian distillers have claimed that there would be little trouble in shipping into the United States when prohibition ended. Optimism will be put to the test after December 5.

Reports that Canadian Industrial Alcohol is to be taken over by National Distillers through a share exchange are not credited in Montreal. It is expected rather that Canadian Industrial Alcohol will liquidate its stocks, pay off its banking and other indebtedness and distribute the surplus among shareholders. If it does not get a good offer for plants, that would mean a modification of this programme to keep sufficient working capital to continue in business on a modified scale.

TOBACCO USERS TURN ATTENTION TO CIGARETTES

Consumption on Larger Scale Than Reported a Year Ago

From Our Own Correspondent

MONTREAL. — Consumption of tobacco products in Canada continues on a scale appreciably larger than that reported a year ago, according to excise returns compiled by the Dominion Bureau of Statistics. This reflects larger sales for Imperial Tobacco Co. of Canada, Tuckett's, MacDonald's and other producers.

The number of cigarettes entered for consumption in September aggregated 401,231,720. This was the third largest monthly total reported so far this year and compared with 313,709,922 in September last year —an increase of nearly one third. There has also been an improvement in consumption of over-weight cigarettes, September returns totalling 46,700 — the largest monthly total since November, 1932, and comparing with 39,400 in September last year.

The use of cigars, while showing a current improvement, is still far below that reported in other years. Consumption in September totalled 11,506,697, a drop of about 375,000 from the previous month's total and 1,200,000 under that reported for September last year.

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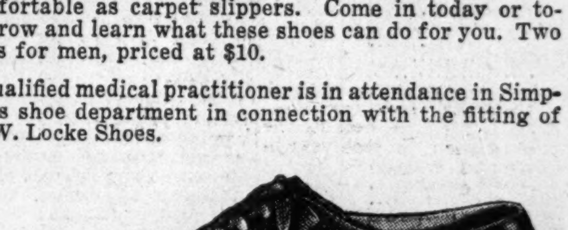
A qualified medical practitioner is in attendance in Simpson's shoe department in connection with the fitting of M. W. Locke Shoes.



Simpsons—Street Floor

THE ROBERT SIMPSON COMPANY LIMITED

Ont. Company Revenue Tax Bars Municipal Dividend Tax

Peterborough Court of Revision has ruled that income from dividends on certain shares is not assessable for municipal income tax purposes. The decision will be appealed, it is understood, because it would cost municipalities enormous sums in lost income taxes, if sustained.

The contention of the appellants against assessment on income from dividends was that incorporated companies are now exempt from assessment by municipalities because their incomes are now liable to assessment by the province under the 1932 amendment to the Corporation Tax Act. Therefore, it was contended, dividends to individual shareholders from such companies cannot be assessed by municipalities. This was upheld by the Court of Revision.

The amendment to the Corporation Tax Act was that companies operating in Ontario must pay an income tax of one per cent on net revenue obtained within the province. According to the decision, this exempts stockholders from paying municipal income tax on dividends received from companies which have already paid the provincial tax on revenues.

Hon. W. H. Price, attorney-general, has suggested that an additional amendment to the Corporation Tax Act may be necessary. The Peterborough decision, it is understood, does not mean that municipalities cannot collect income tax at all.

"MAKING YOUR WILL"

The series of eleven articles on Wills and Estates just concluded in The Financial Post have now been reprinted in book form, bearing the title, "Making Your Will."

32 Pages, 6" x 9" *Price 50 Cents*

This new book tells in simple, non-technical language the points to be considered in making a will and includes useful discussions on Succession Duties and Trusts.

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Mighty Lumber Industry Awakes As Export Demand Goes Soaring

Bank Loans Thawed and Stocks Quickly Disappear—Emplyment in Woods Expected to Reach High Level

One of Canada's great industries is coming back.

The turn in the tide came last May when exports of wood and wood products from Canada after reaching the lowest point in a decade showed a sharp upturn. By August this trade had expanded to such an extent that exports of planks and boards in that month were more than four times the April figure; exports of shingles more than six times those of April.

This means that in an industry which for years has ranked as the third largest in Canada; has a capital investment of over $200,000,000 and a product with a gross selling value of $150,000,000 annually, is slowly coming to life after years of steadily declining business.

Stocks are Low

Specifically it means that at the present stocks of pine and spruce —particularly in the Maritimes—are very low and that there will be more lumber mills operating in Canada this winter than in any year since 1929. It is possible that as many as 90,000 men will find employment in the logging camps of Canada this winter of which one third will find employment in the camps of the pulp and paper companies and the rest with sawmilling concerns both large and small in the five big lumber provinces of the Dominion.

The reason lumber stocks in many parts of Canada are currently at a very low ebb is because 1933 will go down in history as the year in which lumber production in Canada was at the lowest ebb in a generation. Most mills were closed all year and the famous Booth mill above Ottawa, for instance, was closed for the first time in its long and illustrous history. In the Ottawa valley the lumber business was at a virtual standstill until August of this year.

Actual production of all lumber and square timber in Canada in 1933 is estimated at not more than 1,000,000,000 ft. This is but 60 per cent of the previous low level of 1,480,000,000 ft., reported in 1932. Four years previously production in Canada was running fairly regularly around the 4,000,000,000 mark each year.

Experts Tell Story

Thus, current production figures in the industry are disappointing and it is to export figures that one must look for statistical evidence of the revival of lumbering in Canada. This is, of course, because the big lumber cut is done each year in the winter and production figures in any year, depend largely on the size of the previous cut.

The cut of 1932-33 was the lowest in decades so that when demand started zooming this summer, stocks of lumber on hand were quickly depleted. Evidence of this shortage is particularly apparent in the Maritimes and applies especially to stocks of spruce and pine. In British Columbia it is now reported that there is no spruce sawn that is not already sold.

Two Major Results

This sudden resumption of activity in an industry which had almost given up hope of seeing better days, has had at least two significant results already. Firstly, it has released millions of dollars of virtually frozen bank loans which were tied up in stocks of lumber throughout various parts of Canada. Leading Canadian banks report that individual loans for hundreds of thousands of dollars which seemed hopelessly dormant, were suddenly wiped off the books by the revival in export demand.

The other major effect has been in employment. Last year on October 1 there were but 7,740 men working on logging operations in the Canadian woods, according to employment figures compiled by the Dominion Bureau of Statistics. This was the smallest October figure since the record was first compiled and was an increase of only 740 men over the corresponding figure of the previous month. This year as at October 1, 233 companies reporting to the bureau showed they had increased their logging crews during the month by 4,500 men to a total of 17,700. This advance was reported by the bureau as "on a much larger scale than any other year since 1929."

Four Chief Outlets

Demand has come chiefly from four sources; namely the United States, the United Kingdom, Australia and the Orient. Three important events are perhaps most largely responsible for the improvement; namely:

(1) Abandonment of the gold standard by the United States in April which rapidly removed the exchange differential with U. K. as far as Canada was concerned.

(2) The Russian trade embargo in Great Britain in April, 1933.

(3) Inauguration of the New Deal and the fall of prohibition in the United States.

The U. S. Situation

What happened in the United States is of course fairly obvious. With prohibition doomed, tens of millions of dollars were poured into construction and allied industries concerned with supplying equipment to the liquor trade. So considerable and so sudden was the demand that available stocks of wood in the United States were quickly absorbed and manufacturers reached out to Canada and gobbled up available stocks in this country. Although this immediate result has worn off now, it was a major factor in liquidating lumber stocks in this country and has paved the way for a resumption of operations of mills in all parts of the country.

Another important effect of "New Deal" policy has been that not only has the impetus of the new deal stimulated some direct export business — particularly in shingles from B. C.—but also higher costs under N.R.A. have virtually shut out American lumber from the Orient.

Canada's lumber trade with the Orient has shown marked appreciation since United States in June, 1932, put a $4 tariff on imports of lumber into that country. China, for instance, has always been a good market for lower grades of fir and hemlock and with the American market closed to this type of lumber, B. C. producers turned to the Chinese market as an outlet. Thus, for instance, in the three months ending June, 1933, exports of Douglas fir planks and boards showed a more than five-fold increase, compared with the same period in 1932. Increasing costs in the U. S. are tending now to give Canada a further hold in this market.

Australia Developing

Australia is also a new market which Canada is finding to be a valuable one since new preferences have been allowed by Empire and direct treaty. Prior to 1929, for instance, Canada had never obtained more than 10 or 15 per cent of total shipments of lumber from the Pacific coast to that country. In the first six months of 1930 that ratio jumped to 31 per cent and in the same period in both 1932 and 1933, Canada supplied almost 90 per cent of total Pacific shipments.

U. K. Attracts the East

It is to the United Kingdom, however, that mills in Eastern Canada are looking for the best outlet for their lumber. A favorable exchange rate, plus the embargo on Russian goods last April, as a result of the famous trial of the five British engineers, are pointed to as the chief reasons for a revival of demand from that country. The uncertainty in respect of Russia, coming as it did at a period when construction activity in Great Britain was considerably on the increase, gave Canada an opening at a critical time and steady improvement in the demand is looked for in the next year or two.

If article No. 21 of the Empire Trade Pact is invoked, Maritime and Quebec lumber producers believe that 350,000,000 feet of lumber from Canada may find its way to the British market next year. If this is achieved it will be the best showing since 1921. The low mark was in the fiscal year ending March 31, 1932, when only 137,500,000 ft. were shipped.

B. C. Mills Busy

British Columbia producers are equally optimistic of the outlook in the lumber export field. Only three mills are inactive in that province at the present time and plants such as the Canadian Puget Sound Lumber Co. of Victoria which had been shut down for between two and three years are once more working busily. There is no "closed" season on the coast and the active export demand that has developed is expected to mean big business for coast operators in the coming months. One important feature of the increased trade with the U. K. is the fact that a good demand for B. C. fir has developed from the large speculative British builder—the man who builds 1,000 houses at a time. Formerly the bulk of U. K. demand was going into municipal housing schemes and the like where the Empire preference was the deciding factor. The following paragraph gives in brief a summary of prospects as seen by B. C. operators:

"There is an unusual British demand for B. C. merchantable grades and small sizes, hitherto unmarketable in Britain. A preference of two shillings per door will result in a big export door trade to United Kingdom. Also, the China market shows heavy bookings and subsidized lines are carrying full lumber cargoes.

"Australia is buying fir logs heavily, as well as sawn lumber. Sawn lumber exports are well up to record figures last year. The potential market in Australia is two to three hundred million feet annually. South Africa has increased the Canadian preference and established a subsidized steamer service which will increase exports to South Africa considerably.

"In addition New Zealand and British West Indies trade is improving in B. C. lumber and Japan is expected to be a good fall buyer for Manchurian development requirements."

Lumber Shortage Seen

Special Correspondence

OTTAWA.—Shortages are developing in certain kinds of lumber and stocks in retail dealers' yards throughout Canada are at a low ebb. Evidence of shortage is especially apparent in respect of Spruce lumber, and prices, which have recently shown some advance, are expected to go considerably higher before the new cut from the crews being sent into the woods this winter, becomes available. Retail stocks of pine are also reported to be low.

Last winter very few men were sent into the bush, but this winter the lumber and pulp and paper companies are despatching numerous parties. An authority in Canadian lumbering estimates that from 90,000 to 100,000 will be employed in the bush this winter.

In the Gatineau district, north of Ottawa, where Canadian International Paper interests have large holdings, from 4,000 to 5,000 men will be utilized in the woods, and the cut is expected to approach 100 million board feet.

Hardwood Will be Cut

A feature of this winter's operations in that district will be a cut of about a million feet of hardwood. This type of wood, being non-floatable and having met severe competition from foreign hardwoods, has had a rather indifferent market in recent years. Where pulpwood species, such as balsam and spruce, have been cut off the natural tendency of the forest is for hardwoods to take their place, and it has always been a problem with Canadian lumbermen to find a market for them.

Their chief uses have been for flooring and interior trim, but demoralization of the building industry since 1929 has dried up this source of demand. The world market for various hardwood sundries, such, for example, as spools, bobbins, clothes pins, dowels, skewers, golf stick heads and handles, has, up till now, never accounted for much Canadian hardwood, but during the past year, largely as a result of the Imperial Economic Conference agreements, a decidedly better demand has been experienced and inquiries are increasing.

The greater activity this winter in forest operation is one mainly to the effects of the preferences accorded Canadian timber in the agreements reached last year at the Ottawa Conference. As stated in The Financial Post a few weeks ago, Canada as a result of these preferences has captured practically the whole of the Australian timber market. Large orders are also coming from Great Britain, where Premier Bennett's efforts to restrict unbridled and uneconomic Russian competition are producing results. Incidentally, this increasing demand is helping materially in the solution of the unemployment problem in all sections of Canada this winter except the Prairie Provinces.

JUTE, WHISKY, FISH, LEATHER GET HEARING

Tariff Board Rejects Cost Figures of U. K. Wool Firms

From Our Own Correspondent

OTTAWA.—Four applications by British manufacturers for decreases in the Canadian tariff, under the terms of the Anglo-Canadian trade treaty, will come before the Tariff Board in the next few months. In addition, subsidiary applications from various sections of the British woollen industry—not represented in the recent hearings —will be dealt with.

The British jute manufacturers are believed to stand first on the list and theirs, it is understood, will be the next application to be heard. The recent judgment of the Board with respect to arbitrary valuations, does not touch the main point raised by the British jute interests, which is that the present British preferential tariff is more than is necessary, under the treaty, to equalize production costs in the two countries.

Other applications of major importance which are soon to be heard include: whisky, canned fish and boots and shoes. The canned fish application comes from British producers who desire a wider market in Canada for canned herring. The hosiery and carpet divisions of the British woollen industry have prepared subsidiary applications and will be given separate hearings by the Tariff Board. It is hoped that this programme will be well under way by the end of the year.

With respect to the woollen case, which was heard late in September, it is learned unofficially that the Tariff Board has definitely decided that the British cost figures are unacceptable for comparison with the figures given by the Canadian woollen operators. In order to carry out the terms of the treaty, the Board must provide itself with cost figures of British and Canadian woollen producers by which a comparison can be made and fair rate of tariff recommended.

Having decided that the figures submitted by the British are unacceptable it is now up to the Tariff Board to obtain figures that are satisfactory.

Find Cool Atmosphere Aids in Sale of Furs

Retailers Employ Air Conditioning as Business Stimulant — Industries Find Installation Reduces Costs — Services Study Customer Comfort

By A. W. LYNN

For some time industrial organizations requiring controlled atmospheric conditions in conjunction with the manufacture of their products have employed air conditioning in order to achieve this. Theatres and some of the large department stores have used it also in varying degrees. It is only during the past few years, however, installations for air conditioning the year around have become numerous in industrial plants.

This impetus is due to several factors. The more healthful conditions, which air conditioning affords, increase the efficiency of workers in plants and office buildings. Benefits are conferred in the manufacturing of many products. A great many articles cannot be properly fabricated under adverse air conditions. Adverse air conditions slow up production and packaging of certain products thereby increasing costs.

Used by Many Industries

In some establishments the need for air conditioning arises from the necessity for storing a finished or raw product under specific atmospheric conditions. Among some of the industries which have a need for controlling air conditions are, lithographing and printing, photo engravers, textile mills, paper mills, bakeries, candy manufacturers and furniture plants. Air conditioning is also used in the storage of apples and other perishables.

The improvement in artificial lighting in factories saved millions of dollars in the prevention of accidents and at the same time definitely lowered costs of production. It is now predicted that air conditioning in industrial plants will prove as great a benefit from a hard headed business angle as did the improvement in lighting.

For instance, a short time ago an industrial plant in the New England states was erected which did not contain a single window. An improved type of lighting was employed together with complete air conditioning to maintain an even working condition the year around.

Helps Retailers

Air conditioning is making rapid strides among retail establishments. It is proving a profitable investment to create comfortable air conditions at all times of the year. People are known to spend more time in shopping centres which are free from offensive body odors. Under favorable conditions more unit sales are made to individual customers. In the warm weather tourists will spend longer periods in the stores if the inside "weather" is more comfortable than on the hot pavements. Stores featuring early fur coat sales find that a cool atmosphere facilitates the trying on of garments by prospective buyers.

Women's apparel stores have found air conditioning to be an excellent prestige builder. Marring of apparel from perspiring skin is eliminated, reducing spoilage losses. Beauty parlor proprietors are finding that air conditioning actually increases the number of customers handled from day to day, especially in the warm weather. Women are more inclined to wait quietly for their appointment when comfortable. They do not become irritable and leave the parlor when an inevitable delay in service occurs.

Service Establishments Interested

Modern restaurants which have a cool refreshing atmosphere are undoubtedly enjoying a larger patronage. After dinner, dancing may be enjoyed under ideal conditions. Large auditoriums, funeral parlors and other similar buildings employ air conditioning to maintain a good name among a discriminating clientele. Banks and financial houses are making air conditioning installations at an increasing rate. The comfort of holders of safety deposit boxes who visit the vault rooms and remain there for varying periods, must be considered. In office buildings, where fatigue is so noticleable in employees as the day advances, better atmospheric conditions are being looked upon as a real necessity. In scores of old buildings stagnant, impure air cannot help but reduce the efficiency of office staffs. Where large staffs are employed the common cold spreads with ease.

Air conditioning will bring a new meaning to the efficiency of industrial and mercantile organizations. The equipment to accomplish this is now available and there are indications that business executives as a group will employ it for the protection of profits.

In the next article in this series which will appear in an early issue we look at air conditioning from an investment standpoint.

Part Time Competition Hurts Dairy Companies

National Dairy Council President Says Profits Increased in One Community Which Eliminated Occasional Distributors, Who Help None

Milk producers, who are getting less than at any time for 19 years for their milk, and holders of securities of dairy companies who have had falling or disappearing dividends in the last year or so, will be interested in a short appraisal of the situation as contained in an address to the Canadian Chamber of Commerce at its recent convention in Ottawa by W. G. Forster, president of the National Dairy Council which is composed of representatives from every province of Canada and covers all branches of the dairy industry. The producer element—the farmer—has 50 per cent representation.

"Our industry is not in a satisfactory condition," said Mr. Forster in the course of his address. "Our milk producers in the main are not enjoying proper returns for their labors, and our milk distributors and creamery men are experiencing a lean time, and like many other industries, over-competition in distribution is responsible for many of our troubles. Over-competition in other lines of industry as well as our own brings abuses which sometimes are unethical and unfair, and which invariably react to the disadvantage of the primary producer and consumer.

"While our problems are of national importance, I do not believe that, for the time being at least, we need drastic Governmental intervention or anything more from Governments than the co-operation and leadership which we have had in times past. What we do need is better price levels for the primary producer and we think, in the national interests, it is essential that we should have these, and we believe it is possible to attain this end."

Competition Dries up Profits

Mr. Forster stated that in the year 1930 there was put into circulation in Canada an average of about $750,000 daily from the sale of dairy products and that in 1931 this had fallen to $440,000 daily and that it is less at the moment. Though the decline was to considerable extent due to general conditions, a very important part of it, he thought, was brought about by excessive and unfair competition.

Mr. Forster made a plea for elimination of the part-time competition which encroached on the business of those who distributed milk and milk products 365 days of the year. He stated that in one large community in Eastern Canada this type of excessive competition had been almost eliminated by mutual agreement. As a result the milk producers enjoyed in the months of August and September an advantage in price of about $200,000 over the producers in another important milk shed (the area from which milk is drawn to a given centre), which is struggling with this type of competition and has not been able to eliminate or adjust it. He claimed that before this "part-time" competition made its appearance, and before the almost unrestricted competition in milk distribution occurred, the producer received more for his milk, and the consumer got it for less.

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Utilities and Transportation

CAN. NORTHERN SECURING POWER FROM H.E.P.C. UNIT

Abitibi Canyon Plant Will Serve Privately-Owned Operator

From Our Own Correspondent

MONTREAL. — As forecast in last week's issue of The Financial Post, an arrangement has been entered into between the Ontario Hydro-Electric Power Commission and Canada Northern Power Corp., whereby the latter will secure its additional power requirements from Abitibi Canyon from the beginning of 1934 to 1944.

Canada Northern was nearing a point where it would have to have more power to meet the demands of its existing customers, but, through its contract with the Commission, this need will be met without the necessity of additional capital expenditures.

Load Increases Steadily

Over a number of years the average yearly growth of the Canada Northern power load had been more than 4,500 h.p. The present agreement will make available by February 1 next 4,500 h.p. Contract provides for the addition of at least this amount each year thereafter, providing, according to Hydro's estimates, an annual increase in revenue of approximately $150,000 for the first year and $300,000 for the second year—all of which will be augmented each succeeding year by the increased loads available to the corporation.

Under the agreement, current is to be supplied in blocks up to a maximum of 15,000 h.p. at each point of delivery and additional points of delivery may be selected by the company as its requirements demand.

Standard Schedule Applies

The standard schedule of rates at which the Hydro, as trustee for the Government in the Abitibi development operation, is prepared to supply the electrical energy applies under the new agreement. The schedule follows:

For power supplied at a voltage not less than 26,000 volts and at a load factor of 85 per cent: $32.50 per h.p. per year, net, for the first 5,000 h.p.; $22.50 per h.p. for the next 5,000; $17.50 for the next 10,000 and $22.50 for all power used in excess of 20,000 h.p.

Contract Regarded Favorably

Announcement of this contract had a favorable effect on the market value of Canada Northern's common stock. It has always been recognized that Hydro constituted a potential threat to Canada Northern's position in the Northern Ontario field, more especially since the Commission took over control of the Abitibi Canyon development. Though the company has been doing a great deal better than most other utilities its securities have never been market favorites, owing to this situation.

The entry into contractual relations of the two power operators is taken to mean that Hydro will give Canada Northern a free hand in the Northern Ontario market, or at least limit the field of competition. This will do much to strengthen the privately-owned company's position.

Maritime Telephone Toll Traffic Gains

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. reports a small decline in stations installed at the end of September as compared with the figure reported at the close of the preceding month. Subscriber stations reported at September 30, 1933, numbered 37,940 as against 37,943 at the end of August. The Island Telephone Co., a subsidiary, reports 5,488 stations at the end of September and 5,495 at the end of August, 1933.

Toll traffic handled by Maritime Telegraph in September exceeded that for the corresponding month last year. This is the first time in many months that such a favorable result has been achieved. While the number of messages completed was well in excess of those for last September, the revenue, though better, did not show a proportionate increase.

The number of toll calls handled by the company in September, 1933, was 124,071, of which 116,474 were completed for a percentage of 93.8.

Newfoundland Completes Pit Prop-Coal Barter

Newfoundland's coal for pit-props barter contract has been completed with the final consignment of pit-props leaving Newfoundland, October 28. The contract was entered into December 1, 1932, between the Board of Commissioners of the Newfoundland Railway and Cueret, Llewellyn and Merrett, the contract called for an exchange of Welsh coal for pit-props.

First contract was for 40,000 tons in exchange for 76,000 tons of pit-props and this was later increased to 48,000 tons of coal for some 93,000 tons of pit-props. Subsequently a ton of coal for iron ore barter contract was entered into whereby the same firm of Gueret, Llewellyn and Merrett agreed to exchange 7,500 tons of coal for 25,000 tons of iron ore from Wabana.

Takes Over Big Job

ROBERT H. KING, group manager of the men's and boys' wear departments of the Toronto store of the Robert Simpson Co., has been appointed manager of Simpson's Montreal store. This office was made vacant by the death of Lt.-Col. Herbert Snell in November of last year.

Mr. King was born at Wingham, Ont., and early entered the store of his father, the late George E. King. The business later became known as King Bros.

In March, 1924, Mr. King joined the Robert Simpson Co. as assistant in the men's clothing department, later becoming buyer of men's furnishings and finally group manager of all men's and boys' wear departments, which position he vacates to become manager of Simpson's in Montreal.

QUEBEC VOTERS TO GIVE DECISION ON POWER RATES

Municipalization of City Services Up for Decision

From Our Own Correspondent

MONTREAL.—Quebec City property holders will vote on the referendum relative to the proposed municipalization of the city's electricity and power supply at a special poll from January 15 to 25 inclusive, according to a decision reached by the City Council.

The proposed by-law will require a majority vote and approval of a fixed number of property owners before becoming law.

It is considered possible that the city council and officials of the Quebec Power Co. might be able to come to some mutual understanding on the price of electricity and power rates, thus eliminating the need of taking a poll.

Hold Many Conferences

Negotiations have been held between the two parties off and on for the past two years, but the demands of the city for lower rates are such that the company apparently does not see its way clear of meeting them.

Quebec Power has offered to make concessions in the way of lower rates, suggesting a schedule to stay in effect until 1935. These proposed rates are higher than those recommended by a special enquiry commission, sponsored by the council.

Business Briefs

World shipments of wheat and wheat flour in the week ended October 30, amounted to 10,153,000 bus. as compared with 10,627,000 bus. in the previous week and 9,944,000 bus. in the corresponding week of 1932. North American shipments showed a decrease of about 2,000,000 bus. while shipments from Russia were more than doubled. Argentine clearances were slightly higher than last week. In the first 13 weeks of the present crop year, world shipments amounted to 131,000,000 bus. compared with 134,000,000 bus. in the same period of 1932. North American shipments are down to 59,000,000 from 85,000,000 bus. Argentine shipments are up to 29,000,000 bus. from 10,000,000 bus. and Australian shipments have also been slightly heavier.

The New Zealand Trade Agreement, 1932, as published in memorandum No. 534 of the Department of National Revenue has been extended for a further period of six months from November 24, 1933, according to an announcement made by the Commissioner of Customs, dated November 3, 1933.

Railway rates on grain shipped between Georgian Bay ports and Canadian Atlantic ports will be reduced by 2.6 cents per bushel as compared with last winter's rates, effective December 1. Reduction is being made to meet competition of the U. S. railways operating between Buffalo and New York.

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POWER EXPANSION IN SASKATCHEWAN BROUGHT TO STOP

Commission Cannot Expand; Won't Let Others Grow

From Our Own Correspondent

REGINA.—Saskatchewan's electrical utilities have reached the point of stagnation because of a provincial government "dog-in-the-manger" power policy.

Saskatchewan's government favors public ownership of electrical energy, and it controls practically half the transmission equipment in the province. Due to governmental retrenchment it cannot extend its field. Private companies are eyeing fields that would be productive for them but they are refused permission to expand.

A concrete instance is that of a private company seeking permission to supply power to a commercial plant in a small town. This manufacturing plant is at present operating its own small plant which is liable to break down at any time. The private company seeks erection of a pole line from its plant to the factory but it faces stone wall opposition from the Saskatchewan power commission. The commission is not in a position to finance the project and it will not allow the private company to obtain the revenue from this line.

Commission Deficit

While private companies have managed to weather exigencies of the times in a fairly satisfactory manner, paid their taxes etc., the power commission for 1932 reports a loss of slightly more than $50,000 which if taxation for its plants were added would amount to almost $130,000.

Saskatchewan's power development started with municipal systems which later were bought in some instances by private companies and then linked into systems. Large private companies entered the field in 1926. The systems expanded until 1929. Then the report of the Saskatchewan Power Resources Commission advocated the government going into the power business on the basis that if private companies could make money so could the government.

In 1930 an amendment to the 1929 act, which outlined powers of the Saskatchewan commission, was amended to force private companies to obtain consent of the commission before they could construct new lines or commence any new operations. This was a handicap to power companies and a protection for the commission. Since then there has been little new construction.

No Appeals Allowed

Another fly in the ointment is the Local Government Board which sets rates, etc. In 1930 the board was given powers of a public utilities board and amendments to the Government Board act were passed enabling it practically to confiscate property of private companies where increased rates were put into effect. Compensation amounting to actual replacement of the property as a going concern, not including any franchise value or value based on earnings or goodwill, was all that the act allowed.

The statute also provided that any decision or ruling of the board was not subject to appeal in any court.

DOMINION STEEL SPECIAL MEETING AGAIN ADJOURNED

Sufficient Debentures Now Deposited to Assure Passing Plan

From Our Own Correspondent

MONTREAL. — For the second time the special meeting of the holders of the 6 per cent debentures of Dominion Steel and Coal Corp., to consider a proposed plan for postponement of interest payments, had to be adjourned on account of a lack of a quorum. Another meeting will be held on December 11, when the gathering will proceed with the regular business, even if a quorum is not present, because of the fact that proxies for 75 per cent of the debentures in the hands of the public have been filed in favor of the plan.

Out of a total issue outstanding amounting to $13,499,994 of these bonds, an amount of $6,612,446 is held by the banks, leaving $6,887,548 in the hands of the public. The banks have already stated that they will abstain from voting, on the ground that they, with whom it is proposed to lodge as collateral security for loans the new prior-lien issue which the meeting will be asked to authorize, are interested parties.

Outline of Plan

The plan, which the holders of the bonds are being asked to consider and approve, proposes postponement of interest payments on these securities from March 1, 1933, to September 1, 1935. Payments on account of these proposed installments of interest are to be made on May 31 and November 30, 1934, and each year thereafter, but only on condition that such payment shall not reduce the working capital of the corporation below $3,000,000, and that no payment of less than one per cent shall be made on any of the new interest dates. It is also proposed that the obligation of the corporation with respect to sinking fund for the year 1933, 1934 and 1935 shall be waived.

In order to strengthen the current position of the corporation, authority is asked for the issue of sufficient prior-lien bonds or certificates to be lodged with the corporation's bankers as collateral to give them, along with the ordinary security upon inventories and other assignable assets, a total security of $150 for each $100 of loans outstanding at any time.

In consideration of these relaxations of its engagements, the corporation will agree to pay interest on its debenture stock and bonds outstanding in the hands of the public at the rate of seven per cent per annum, instead of the original rate of six per cent.

PUBLIC SERVICE INCOME HIGHER COSTS REDUCED

Okanagan Utility Earns $6.65 on Preferred Surplus Reduced

Gross revenue of Canadian Public Service Corp. increased in the year ended June 30, 1933, due in part to inclusion of a full year's earnings from its subsidiary Inland Ice & Cold Storage Co., while operating costs were lower than in the first year of operation. After providing for all charges the company earned $6.65 per share on 11,041 shares of 6½ per cent preferred stock outstanding as compared with $3.45 on the 9,649 shares outstanding in 1931-32. After paying income tax on prior years the surplus of the company was reduced to $5,144 from the previous year's surplus of $8,620.

No acquisition of property was made during the past year. West Canadian Hydro Electric Corp., the principal subsidiary, had a $5,500 increase in gross revenue which is shown at $147,864 while operating expenses were down $2,600 to $38,237. Canadian Western Telephone Co., another subsidiary, showed a number of stations down to 4,934 from 5,165. Subsidiaries operate chiefly in the Okanagan Valley of British Columbia. Income and surplus account of the company is as follows:

CONS. INCOME AND SURPLUS ACCT.
Years Ended June 30

	1933	1932
	$	$
Gr. oper. & misc. inc.	407,553	361,722
Less: Oper. exp., taxes, etc.	147,471	156,570
	260,082	205,151
Less: Funded debt int.	128,093	131,380
Funded debt disc. and exp. amort.	3,424	2,149
Miscel. interest	4,085	1,672
Net inc. for year	124,480	69,950
Less: Deprec.	27,847	22,948
U. S. exchange	20,592	13,691
Min. int. in sub. ...	2,581	......
Net profit	73,460	33,311
Less. Pref. divds.	64,388	†47,266
Surplus for year	9,072	*13,955
Dom. govt. grant to Inland Ice & C. S. Co. after exp. incurred	......	15,236
Surplus	9,072	1,281
Add: Surplus of subs. acq. (net)	......	7,339
Prev. surplus	8,620	......
Less: Minority int. ..	10,120	......
Add: Addit. invest.‡	3,340	......
Less: Inc. tax pr. yrs.	5,768	......
Bal car. forward	5,144	8,620

† After deducting dividends paid on 681 preferred shares relinquished by the owner.
* Deficit.
‡ In earned surplus of subsidiaries.

While working capital is lower, cash on hand is up slightly at $62,792. Notes, contracts and accounts receivable are down to $44,656 from $48,592; inventories show little change at $49,247 while a new item of $12,099 is shown on account of loans due from affiliated companies. Notes payable to the banks are up to $32,500 from $16,500; accounts payable are down to $28,308 from $37,750 but other notes are payable to the amount of $19,000. Accrued interest amounts to $59,106; accrued taxes to $10,951 and accrued dividends to $16,832. Working capital position is as follows:

Working Capital

	1933	1932
	$	$
Current assets	171,973	158,874
Current liabilities ...	166,696	139,854
Working capital	5,277	19,020
Ratio	1.03—1	1.13—1

Fixed assets are shown at $3,589,732 which figure also includes organization expenses and excess of cost of stocks of subsidiaries over the book value thereof at date of acquisition. Deferred charges are up to $154,078 from $103,931. Investments are carried at $73,150 of which $68,100 is in securities of Canadian American Public Service Corp. Among liabilities, deferred credits are carried at $17,275; reserves total $344,624 of which $332,188 is reserve for retirement of fixed assets. Funded debt totals $2,172,500 of which $200,000 is that of the parent company and the rest belongs to subsidiaries. Minority interest in subsidiaries is down to $17,608 from $40,482. Stock outstanding consists of 11,041 shares of 6½ per cent preference stock of $100 par value of which 9,009 shares are of the original series and 2,032 shares are of A Series. There are also 100,000 shares of no par value common stock.

OTTAWA CHANGES RULING IN TARIFF ON COTTON FABRIC

Fine Woven Fabric from United Kingdom Given Preference

From Our Own Correspondent

MONTREAL.—In order to make possible a larger flow of British cotton goods to Canada, the Department of National Revenue has transferred from the dutiable to the British preferential free list a substantial yardage of cotton woven fabrics.

The principal change has been made in tariff item 523 C, which, stripped of its technical language, deals with "fabric consisting wholly of ply yarns of which the individual strands average 100's or finer." Previously imports of this fabric were dutiable, but under the new ruling imports will come under the British preferential free list.

Gordon Comments on Action

In commenting upon the Department's ruling, G. B. Gordon, director of Dominion Textile Co., had the following to say, in part:

"The new ruling really has the effect of enlarging the application of tariff item 523 'c' to cover cloths which have up to the present not been included. The main point is that until now, fabrics composed of plied yarn, even where the single yarns were finer than 100's were not considered as coming under item 523 'c' and therefore not entitled to free entry under the British preference. Now, these fabrics which, in the main, will be fine broadcloths, etc., made from plied yarns, for shirtings, will be admitted free of duty.

"Unless advantage is taken of the ruling to import cloths made from fine plied yarns of a much lower class than has hitherto been the practice, the new ruling should not result in a very grave loss of business to the Canadian mills. It therefore remains to be seen whether the Lancashire manufacturers will be content to make use of this concession in the way in which it should be used, or whether they will endeavor to abuse it to the great detriment of the Canadian mills."

Authorities Urge Economies In Canadian Civic Finance

Montreal, Edmonton, Toronto and Calgary Warned to Keep Within Means and Restrict Capital and Current Expenses to Necessities

Rigid economies must be practised by Canadian municipalities to keep down tax rates and maintain municipal solvency, according to recently issued reports on the finances of a number of Canadian cities. Since most of the comment is by authorities on municipal finance, it is of value to civic officials and politicians.

Attention has been drawn particularly to the finances of the cities of Montreal, Edmonton, Calgary and Toronto. The Montreal Gazette recently stated that to succeed in balancing the budget without resorting to additional taxation the city's politicians "must do more than go through the motions of economizing."

Edmonton Report

Edmonton city commissioners recently presented their annual report to the annual meeting of ratepayers. Some extracts read:

"It is obvious that the decline in tax collections constitutes one of the most serious aspects of the civic administration resulting in an accumulation of tax arrears and while Edmonton compares very favorably with other cities in regard to collections the situation is becoming yearly more aggravated. . . .

"The city cannot continue a policy of spending more than its actual receipts without becoming involved in borrowing on current account. . . .

"The best means of dealing with the situation should be considered and such steps adopted as may avert those contingencies which will undoubtedly arise if adequate precautions fail to be exercised in the meantime. . . .

"A large part of the capital expenditure . . . was embarked on in response to an urgent demand of the public and notwithstanding repeated warnings against increasing capital commitments particularly on general debt account involving additional annual charges. . . .

Public Works

"We are aware that even still there are those who are insistent upon a programme of public works being carried out with the view to providing employment for those out of work. It cannot be over-emphasized as has been done repeatedly in previous years that further additions to the general debt mean increased taxation and must be avoided at all costs. . . .

"One of the anomalies of the present situation is that while the sources of revenue tend to shrink, expenses . . . are increased in inverse ratio resulting in heavier taxation and a decrease in the number of contributors having the ability to meet the obligations."

Of such comemnts the Edmonton Journal remarked:

"These words should be adopted by all civic spending boards as 'the law and the prophets.'"

Advice to Toronto

George Wilson, finance commissioner of Toronto, recently made a brief analysis of the city's position. He pointed out to the council, among other things, the following:

"The increasing volume of tax arrears naturally results in a corresponding shrinkage in the treasury's cash position and consequent additional temporary financing, the cost of which must be provided in the tax rate.

"Total net cost to the city of direct relief to the unemployed was estimated at $1,300,000. . . . The actual expenditures, however, have materially exceeded this estimate and from present indications the net cost to the city for the whole year is now estimated at $2,000,000. . .

"It is too early to estimate whether or not the cost to the city of the works programme will be wholly or partially offset by a reduction in the cost to the city of direct relief.

"The estimated effect on the tax rate for 1934 and subsequent years of (a) reduced assessments (b) the funding of present unfunded capital commitments, and (c) the funding of probable expenditures upon direct relief to the unemployed is . . . as follows: 1934, 1.48 mills; 1935, .82 mills; 1936, .73 mills; 1937, .57 mills.

Rigid Restriction

"Irrespective of any rapid improvement in general business conditions the city cannot emerge from heavy expenditures incidental to the depression for some years to come . . . the time has not yet arrived to relax the city's well-established policy of rigidly restricting all capital and current expenditures to absolute essentials."

Calgary's financial affairs recently came in for an airing at the board of trade when E. J. Chambers said that while the city's finances are in their present state taxpayers should not countenance capitalization of revenue or current deficits by debenture issues. Among the unfavorable features of Calgary's finances mentioned by Mr. Chambers were: a deficit of $379,288 even if all taxes and other accounts were received in full this year; a shortage of $1,383,353 in sinking funds which the taxpayers must ultimately meet; probable uncollected taxes of $1,543,994 at the end of 1933, compared with $1,363,854 in 1932 and $919,985 in 1931.

Should Cut Expenses

Of civic financing generally, the Citizens' Research Institute comments in a recent bulletin:

"Many municipalities, if they wish to avoid financial difficulties, will have to adjust their affairs so that cash received on revenue account will be sufficient to meet current expenditures.

"The experience of recent years has shown that increasing the tax levy does not necessarily increase the tax receipts. The municipal levy, judging by the rapidly mounting tax arrears, is even now greater in most instances than the ability of the taxpayer to meet it. Reduced expenditure is the only satisfactory way out. Information published in connection with Canadian municipalities now in financial difficulties show that the cutting down of the expenditures to the taxpayer's ability to pay is one of the first steps taken by administrators or supervisors appointed for such municipalities.

"Why not take the necessary step before rather than after difficulties arise?"

Agitation for Expenditures

Agitation for public works and further municipal expenditures is still strong in some quarters. No less an authority than the Dominion Bureau of Statistics has just pointed out that such demands for improved public services are chiefly responsible for the constant growth of municipal debt since 1919. As a result of this growth of debt and consequently taxes, many municipalities are in grave financial difficulties.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Reopening of the **Caldwell Woollen Mill** at Appleton, Ontario, is reported. The mill has not been in operation for some years.

Kellogg Co. of Canada, has announced that construction will start immediately on a new four-story building in London, Ont. The building will be approximately 96 ft. by 102 ft. and property has been purchased to accommodate the new building. The addition will be principally used for warehousing of finished case goods and raw materials as well as accommodation of the general executive and office organization.

Harrison, Paint & Chemical Co., has secured a permit for the erection of a building to cost $8,000 in Ottawa. The company will concentrate on the conversion of ordinary straw into carbon to be used as a basis for printers' inks and paste and in addition the distillation of a straw oil which will be the basis for germicides. This is a new industry for Ottawa and is headed by George H. Harrison, formerly of Moose Jaw.

Ottawa Valley Packing Co., newest industry in Renfrew, Ont., has been granted $2,500 of free power for six months. The $2,500 will be used to pay for installation of a new transformer.

Taylor & Pearson Ltd., wholesale radio, automotive parts and equipment firm, has secured a building permit for a $12,000 brick warehouse to be erected in Edmonton.

Beaver Piston Ring Company, Gananoque, will shortly transfer operations to Smiths Falls, Ont., according to Mayor J. J. Marsh of Smiths Falls. It is anticipated that the company will employ some 30 people.

Beauty Institute of Canada will start to manufacture cosmetics in Hespeler, Ont., within a short time. Head office of the parent company is at Saginaw, Mich., from which point Canadian operations have been directed up to date. Arrangements are being made for purchase of the necessary machinery and apparatus.

The Elmira, Ontario, Chamber of Commerce is negotiating with three outside industries with a view to locating them in Elmira. Prospects include a furniture manufacturing company in Stratford, a dye manufacturer in Buffalo and a soup company.

EXPORTS OF HONEY SHOW AN INCREASE

Prices Higher Than in 1932 — World Shortage Seems Possible

Exports of white and golden honey by the Ontario Honey Export Association have totalled over 500,000 lbs. in the current year, an increase of 25 per cent over 1932 forwardings. With a crop variously reported from 40 to 50 per cent less than in 1932, P. W. Hodgetts, secretary of the association, states that there is every indication of a shortage of honey next spring. The British market is reported to be taking an interest in Canadian honey this year due in part to the fact that a world shortage of this crop is reported except for domestic production in England. Benefit of the Imperial Preference Agreements, which give Empire honey a protection of seven shillings per long cwt., are being realized to the maximum for the first time this year since their adoption.

Total white honey exports of all grades from all agencies in Ontario to date this year are in excess of 300 tons, which, with 80 tons from Quebec, is stated to pretty well clean up the entire eastern Canadian situation. Prices have risen to producers and few bee keepers are selling for less than eight cents per pound, f.o.b. shipping point for top grades in bulk lots. This is an increase of some two cents over 1932. It is expected through the work of the Honey Export Association's overseas commercial representative, an Ontario brand of bottled honey will appear extensively on the British market this season. This will prove an outlet in addition to the bulk sales now being effected and will be an important competitive factor in obtaining fair prices. It is believed that the bottled outlet thus provided will include an increasing proportion of the best grades of Ontario honey exported as sales are aggressively pushed.

Newfoundland Finds Better Export Market

Demand in the Oporto market for cod fish in recent weeks has shown an increase over demand in both 1932 and 1931. Demand is expected to remain good until the end of December and Newfoundland exports of the product are thereby benefitted.

Consumption for the six weeks ended October 7, 1933, is reported at 34,800 quintals while in the corresponding period of 1932 consumption was only 29,200 quintals and in 1931, 33,850 quintals.

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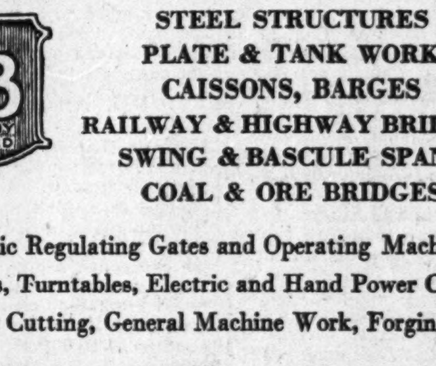

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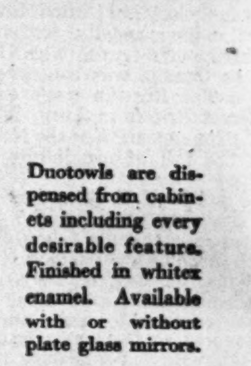

News of Investment Markets

DATA LACKING REAL FINANCES ONTARIO GOV'T

Financial Men Withhold Views on Surplus for 1932-33

RELIEF COST HEAVY

If $38,000,000 Works Scheme Carries Through, Debt May Climb to $600,000,000

Interest is expressed in financial circles regarding announcement that the Province of Ontario will show a surplus in the fiscal year ended Oct. 31 of about $150,000, instead of the deficit of $2,000,000 for which the budget provided. Opinion as to the nature of the surplus is being withheld pending issue of more complete information. It is understood that many millions were spent on relief, little of which is believed to have been treated as current expense.

The accompanying announcement that $38,000,000 will be spent on a public works and relief programme in 1933-1934 is viewed as a heavy outlay for the province. Expenditure of this sum on capital account would mean an increase in the provincial debt of over seven per cent on the basis of the amount outstanding at Oct. 31, 1932, the latest complete returns available.

As reported last week in The Financial Post, certain provincial officials recently stated that revenue for the 1932-33 year would be about up to expectations. Now the premier reports that it will be $2,450,000 above estimates. And a check-up with the same provincial officials, just a week after the statement mentioned elicited the information that revenues have been up for some time.

Difference of Opinion

It is still admitted however, that the treasury department itself did not know exactly what its outgo had been when Mr. Henry made his announcement, although it was certain that the province's budgeting committee had cut expenses somewhat. A week before the announcement, however, it was stated by officials that they could not see how the deficit would be as low as $1,400,000.

One close student of government finances expressed to The Financial Post the following opinion on the alleged Ontario surplus:

"I don't see how anyone who has been following Government finances in even the most casual or cursory manner would believe for a minute they have a surplus. If the figures were clearly disclosed, I should think Ontario would show a deficit as large as Quebec's (which was $6,840,907)."

Study of the public accounts for the year ended Oct. 31, 1932, shows less favorable results than are seen superficially; that the actual deficit was substantially greater than that promulgated. The following figures show how this is determined:

Ontario's Possible 1931-32 Deficit

	$
Ordinary revenue	54,175,233
Ordinary expenditure	52,173,087
Ostensible surplus	2,002,146
Special expenditure	4,062,944
Deficit	2,060,798
Add: Appropriation from liquor board incl. in ord. rev. in excess of year's profits	2,627,580
Direct unemployment relief treated as capital exp.	3,139,750
Possible deficit	7,828,128

Financial men generally agree that the special expenditures and certain capital items such as direct unemployment relief should be treated as current cost of government. It is held that the appropriation of surplus from the Ontario Liquor Control Board is not ordinary revenue.

Debt up $55,000,000

That the excess of expenditure in 1931-32 may be misleading is also indicated by the increase of funded debt and treasury bills by $55,212,268 in the year. Expenditure on capital account amounted to a net of $28,467,681 in the 1931-32 year. The difference of nearly $27,000,000 between capital expenditure, which was not budgeted, and increase in debt may mean that the real deficit for 1931-32 was even larger than the estimate made above.

The total debt of Ontario, including outstanding treasury bills, was nearly $533,000,000 at Oct. 31, 1932, and is believed to have increased materially this year. Thus, it is possible that the total debt will be closely approaching, if not exceeding, the $600,000,000 mark before the end of the 1933-34 fiscal year.

Comparative Capital Outlay

Comparison of the proposed works and relief activity of the province in the next few months, and those undertaken in the 1931-32 year, is as follows:

Proposed 1933-34 Capital Expenditure and Actual 1931-32 Capital Expenditure

	Proposed $	1931-32 $
Highways, northern devel., bldgs., etc.	30,500,000	15,406,543
Munic. pub. wks.	7,500,000	10,092,126
Direct relief	......	3,139,750
	38,000,000	28,467,680

Possibly some of the proposed works will be classed under direct relief, and perhaps a larger proportion should come under municipal works. The chief point, of course, is that there is an increase of nearly $10,000,000 in the proposed outlay over the 1931-32 figures. The 1931-32 total was reduced by $699,294, due to deduction of capital income and repayments by the Dominion.

Steel Wares Reduce Outstanding Bonds

From Our Own Correspondent

MONTREAL. — General Steel Wares deposited $376,000 of its first mortgage bonds with the National Trust Co., trustees for the bondholders, on November 1 in compliance with sinking fund requirements. This brings the total redemptions from 1929 to date up to $1,548,000 and cuts down the outstanding funded debt of the company to $7,452,000.

Operations and sales of the company have been on a favorable scale this year, sales for the first ten months being ahead of those for the same period in 1932. The management continues its rigid policy of effecting economies in all departments and net returns have been ahead of those reported a year ago.

MUNICIPAL DEBT IS $1,341,199,000 AT END OF 1931

Nearly Double Total of $735,586,000 in 1919

Total funded debt of the 4,280 municipalities, urban and rural, of Canada in 1931 amounted to $1,341,199,000, according to a recently issued report of the Dominion Bureau of Statistics.

The total has almost doubled since 1919, when the figure was $735,586,000, the bureau points out, and cites reasons for this as follows:

Bureau's Explanation

"While the borrowing powers of municipal governments are more or less under restriction of their respective provincial governments, such powers have been somewhat freely used, with the result that there has been a steady annual increase in municipal debt since the Bureau first instituted this report in 1919. The demand for improvement of public services, such as highways, educational, charitable and social institutions, is largely responsible for the increase in debt.

"Ordinary revenues of municipalities, as is the case in other forms of government, have shown a distinct falling off, and in order to meet the settlement of old obligations as well as to provide funds to carry out improved services, debenture issues have been generally resorted to. Within the last year or two, an unusually heavy expenditure by municipal governments has taken place, due to the adoption of emergent measures to meet the cost of unemployment."

Increases between 1919 and 1931 in municipal debt in the various provinces and the per capita debt in 1931 are shown below:

Municipal Funded Debt by Provinces

	— Funded Debt —		Munic. debt per capita
	1931 $ 000's	1919 $ 000's	1931 $
P. E. I.	1,960	970	23*
N. S.	31,886	17,864	61
N. B.	21,478	11,128	53
Que.	428,018	205,636	136
Ont	499,002	243,227	156
Man.	91,615	55,563	181
Sask.	59,147	39,585	68
Alta.	78,680	66,870	121
B. C.	129,914	94,742	250

*Does not include rural municipal debt administered by the province.

Montreal South Bonds Sold to Public at Par

From Our Own Correspondent

MONTREAL.—Banque Canadienne Nationale and René T. Leclerc Inc. are jointly offering $50,000 Town of Montreal South, 5½ per cent bonds, due serially to 1943, at 100 and accrued interest. Both principal and interest are payable in Canadian funds.

The financial statement of the town as of October 17, 1933, shows an assessed value for taxation of $1,254,796. Net funded debt amounts to $123,842. The municipality's revenue in the last fiscal year amounted to $49,643, against which expenses amounted to $40,915.

August Gasoline Sales Gain Slightly on '32

The sales of gasoline in Canada rose to 61,862,000 gallons in August as compared with the July sales of 56,490,000 gallons. During August, 1932, sales amounted to 61,668,000 gallons.

Alberta and Saskatchewan increased their consumption of gasoline in the first eight months of 1933 as compared with 1932. All of the other provinces showed decreased sales. Alberta is this year the third highest consumer, coming next to Ontario and Quebec, whereas last year Alberta was fourth coming just behind British Columbia. Total sales for the eight months were 318,335,000 gallons as against 326,447,000 in the same period of 1932.

Bond Sales

Bond Issues:	Rate	Due	Redeem.	Price
Northern Electric	*5%	1939	Dec. 1	105

*$190,000 redemption for sinking fund.

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BONDS FIRMER U. S. PURCHASES SEEN AS HELP

British and U. S. Funds Coming Here — Change of Trend

Canadian bonds were steady and quiet in most cases in the week ended Nov. 7. Advances were recorded mostly by Canadian-payment western provincials, among Government issues, and by public utility liens among corporation bonds. The advance of the Canadian dollar to par in the United States did not bring heavy pressure on the market, and, in fact, is believed to have been caused partly by American purchases of Canadian securities.

While fears had previously been expressed that the rise of the Canadian dollar to par might bring selling from Americans, it is now conceded that this is likely to be largely offset by American buying as long as present fears for the U. S. dollar are held in that country. Moreover the advance of sterling to above $4.90 in Canada is seen as an encouragement to British money to continue coming into the Canadian investment market.

Figures on foreign investment in Canada collected by various security dealers' organizations reveal a sharp change in the trend of funds since last summer. Earlier this year there was little British money coming into Canada, and Americans were sellers of Canadian securities on balance. Since the Dominion floated its sterling loan, however, British money has become more interested in Canada, and has been coming here at the rate of several million dollars each month. And inflation fears in the United States have apparently induced American investors to buy Canadian bonds on balance. Thus our money and our bonds have both been inclined to rise on account of international events.

Government Issues

Government bonds have remained near their highest levels for the year. Best prices were recorded late in August, and September showed a recession. In October some of the losses were regained, and much of this recovered ground has been held. This is shown by yields, which, of course, move inversely to prices:

Average Yield on Seven High-Grade Canadian Bonds

	%		%
Nov. 7	4.420	Oct. 31	4.420
Nov. 6	4.423	Oct. 30	4.421
Nov. 4	4.421	Oct. 28	4.437
Nov. 3	4.421	Oct. 21	4.441
Nov. 2	4.422	Sept. 30	4.459
Nov. 1	4.422	Sept. 15	4.373

Western Provincials

Western provincial issues were strong in the week ended Nov. 7. Among the larger gains, B. C. 5½'s of 1945 advanced 1¼ points on the bid side to 99¼; Manitoba 5½'s of 1955, 1½ points to 96; and Saskatchewan 5's of 1958 and 5½'s of 1952, were both up three-quarters, to 89½ and 95¾ respectively. These are bids. It is noteworthy that gains were mostly absent in the U. S.-payment western issues.

Public utilities featured the corporation bond market with advances ranging up to five points in the case of Manitoba Power 5½'s of 1951, which closed with a bid of 33 on Nov. 7. McLaren-Quebec 5½'s of 1961 gained three points to 82 on the bid side, and Gatineau 5's of 1956 were up 1½ to 78½. News of a contract with the Ontario Hydro for Abitibi canyon power, and continued activity in the mining industry, carried Canada Northern Power 5's of 1953 up 2½ points to 79½ bid. Most other utilities showed smaller gains or held firm at the preceding week's figures.

Outside utilities, corporation bonds failed to develop a trend, gains and losses being evenly distributed and mostly for small amount. Municipal securities were again quiet. Dealing for new issues were scarce. Town of Montreal South bonds were purchased by Banque Canadienne Nationale and René T. Leclerc Inc., and were offered at 100 yielding 5½ per cent.

WHOLESALE PRICES SHOW SMALL DROP

Lower Prices for Grains and Farm Products Responsible

Wholesale prices in Canada on the base 1926=100, fell from 68.9 in September, to 67.9 in October, according to the D. B. S. monthly report. Fifty-nine quotations were higher, 112 were lower, while 331 remained unchanged.

Vegetable products dropped from 62.5 to 59.5, due chiefly to price reductions for wheat, oats, rye, flax, barley, bran, shorts and flour. Animals and their products moved down from 60.7 to 60.2, declines for steers, hogs, lambs, hides, fresh and cured meats outweighing advances for calves, milk, butter and eggs. Fibres, textiles and textile products changed from 71.7 to 71.4 owing principally to lower quotations for raw cotton and silk, cotton fabrics, and thread. Wood, wood products and paper rose from 63.9 to 64.7, chiefly on account of higher prices for newsprint, sulphite pulp, fir dimension and spruce deals.

Iron and its products advanced from 85.4 to 85.7 because of better quotations for steel sheets and tinplate. Non-ferrous metals and their products fell from 67.5 to 65.5, declines for copper, lead, silver and zinc influencing the index more than advances for tin.

Non-metallic minerals and their products were higher at 85.3 in October, as compared with 85.1 in the previous month. Better quotations for window glass and fuel oil more than offset reduced prices for imported anthracite and domestic coal, sulphur and cement. Chemicals and allied products changed from 81.8 in September to 81.3 in the following month. Alum, copper sulphate, zinc oxide, lithopone and potassium iodide moved downward, while quebracho, logwood and hemlock extracts advanced.

Bond Tenders

5 p.m., Nov. 21, Township of La Sarre, P.Q.—$17,000, 6 per cent bonds, dated Oct. 1, 1933, redeemable serially from Oct. 1, 1934, to Oct. 1, 1943. Object of loan: floating debts. M. St. Laurent, sec.-treas.

5 p.m., Dec. 1, Sainte Cecile of Whitton, P.Q.—$11,000, 5½ per cent bonds, dated Nov. 1, 1933, redeemable by series to 1953. Object of loan: debt consolidation. J. A. Beaudoin, sec.-treas.

Investment Notes

Significant Investors' Index Numbers

1926 — 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	19	8	5	4	9	19	8	93	19	118
1929-32:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	201.4	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1933:										
January	49.5	3.3	41.1	93.6	36.8	82.9	34.0	59.6	44.6	50.8
February	44.4	3.6	39.7	86.5	33.6	80.2	31.6	56.3	38.6	46.6
March	44.8	2.3	37.8	86.7	32.2	78.6	36.0	57.3	38.2	46.6
April	48 6	2.7	44.3	98.1	31.2	85.3	37.8	67.5	38.5	52.0
May	65.5	3.8	60.9	122.4	45.7	105.1	63.2	85.8	47.2	64.7
June	83.0	6.4	70.3	141.6	55.2	118.2	106.4	103.6	53.8	76.1
July	98.1	8.4	79.1	156.6	60.0	139.1	164.3	118.3	58.5	85.0
August	91.2	7.6	76.4	147.6	59.1	126.8	152.1	113.3	53.9	80.3
September	84.8	7.3	73.0	150.4	61.6	121.0	159.4	115.1	50.7	80.2
Weekly Figures:										
Oct. 5	71.2	.9	61.8	130.6	47.5	103.6	145.2	96.5	42.0	69.2
Oct. 12	70.6	.8	61.8	126.6	46.9	103.2	148.2	95.2	41.4	68.4
Oct. 19	64.2	.7	60.4	114.4	45.2	97.3	131.0	86.8	39.3	63.3
Oct. 26	64.3	.6	61.2	116.4	44.7	98.2	113.5	86.1	39.1	62.7
Nov. 2	66.0	.6	61.6	119.3	44.4	99.7	124.6	89.2	39.4	64.5

*High and low of 1929 and 1932 are based on weekly figures. In 1933 index numbers are given monthly for the first nine months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Loblaw Has Unique Position

OPERATING costs of grocery chains in the United States will be increased to the extent of two per cent of total sales as a result of the N. R. A. blanket code affecting chain stores, it is estimated. Since practically all of the chain grocery companies operate on a profit margin of under four per cent and in the majority of cases under two per cent it is obvious that unless dollar volume of sales is increased either as a result of increased purchasing power or increased prices, earnings of grocery chains in the United States are going to suffer in the next few months at least.

While the conditions existing in the United States are not going to affect grocery chains operating in Canada adversely the situation accentuates the position of Loblaw Groceterias Co. which has a higher profit per dollar of sales than any other grocery chain on the continent, a profit of 7.96 per cent in the past year. The Loblaw management achieves this result not by charging higher prices than are charged by the other chains with which it competes but because of three other factors. The first and possibly the most important is that sales per store are greatly in excess of those of any other grocery chain with the result that overhead is lower. The second factor is that the company gets a profit on a number of the lines it manufactures and the third factor is that investments have been increased to a point where the revenue derived from this source is a not inconsiderable item.

* * *

Union Gas Sales Gain

INCREASED industrial activities in the last six months are said to have given Union Gas Co. of Canada increased gross gas sales. This covers the quiet time of the company's year. It is now entering the last six months of its fiscal year, a period of cold weather during which its gas sales normally increase as a result of a large house-heating demand.

United Fuel Investments, Ltd., a subsidiary controlling Hamilton By-Product Coke Ovens, reports a substantial increase in coke sales in September as compared with September of 1932 and satisfactory sales for the six months to the end of September.

The company is pushing the use of gas burning appliances such as ranges, water heaters and house heating units. Renting of gas burners to convert any furnace to the use of gas was inaugurated last year. A new natural gas well in its Dawn Field has recently been brought into production by the company.

* * *

Stock Juggling Extraordinary

TESTIMONY of Albert H. Wiggins, former head of Chase Bank, before the Senate Committee in the United States recently, must have made many investors rub their eyes. Many of these, including Canadians, remember to their sorrow the first ten days of June, 1932, when Brooklyn-Manhattan took a header and unsettled the whole market.

It was stated at the time that there was distress selling from so-called "insiders." That may have been true but even more extraordinary is the control which even in such a time the "insiders" managed to keep of the market. Though the market dropped 3⅛ on May 31, 1932, on sale of only 7,100 shares, it showed astonishing stability when the real selling got under way. For instance, on June 3, when testimony showed that the Shermar Corp., a personal corporation of Mr. Wiggin, got rid of 8,700 shares, volume for the day ran to 76,500 shares and the stock swung between 23¼ and 26½, closing at 24½, up 1½ on the day. On Saturday, June 5, when the Chase Bank sold 50,000 shares of the stock, held as collateral against a loan from Gerard M. Dahl, according to testimony, total volume in the stock was only 76,500 shares, and it traded between 23½ and 25, closing at 24¼, off only ¼ on a day of such heavy unloading.

Monday, June 6, was another big day, with 78,600 shares traded, of which Shermar Corp. accounted for 17,700 shares and Dahl collateral 5,000 shares, according to testimony in Washington.

The stock had its heaviest drop in that session, falling to 18½, down 5¾ points. In the two succeeding sessions, with daily trading running around 40,000 shares, it dropped to a low of 11⅛. It had to crack some time.

* * *

Made $10,425,667 in Chase Stock

TESTIMONY before the U. S. Senate committee showed that Albert H. Wiggin made $10,425,667 from personal operations in the stock of Chase National Bank, of which he was head, while Chase Securities Corp. was trying to "stabilize" the market for the bank stock through operation of eight joint trading accounts from 1927 to 1931.

During that time this affiliate bought 869,894 shares and sold 795,813 shares. It also traded in the stock of 35 other corporations to the extent of $860,722,055, and lost actually $48,546,016 as well as a paper loss of $71,592,059. It was during this time that Mr. Wiggin made the huge profit referred to by operations of three personal corporations. Mr. Wiggin defended operations of these various Chase affiliates and his personal corporations as being designed to protect the shareholders from declines in their stock as a result of large blocks coming on the market in connection with various amalgamations. During the five years referred to Mr. Wiggin and members of his family paid taxes of $4,624,000.

Mr. Wiggin made about ten and a half millions by selling short stock of his own bank before, during and after the 1929 stock market crash. He borrowed six and a half million dollars from the bank to cover his position.

Mr. Wiggin defended the short sales of stock of Chase Bank as a means of creating buying power for the stock. The sales were made at a time when he considered the stock too high and it meant that buying power to get the stock would come in at some time.

Arthur Cutten, Canadian-born bull market manipulator, managed a syndicate in Sinclair Consolidated Oil, in which Mr. Wiggin participated, with total profits exceeding $12,000,000.

Wiggin Operated in Canada

ALBERT H. WIGGIN, in testimony at Washington, stated that he had formed three personal corporations in Canada to operate with three family corporations he had in the United States. The Canadian companies were dissolved in 1931 as being no longer advantageous and their assets were transferred to the Murlyn Corp., another Wiggin personal U. S. corporation, in exchange for capital stock of the Murlyn Corp. These were non-taxable transactions, and all done under the reorganization sections of the Income Tax Act, Mr. Wiggin said.

The three Canadian corporations organized by Albert H. Wiggin as his personal financial concerns were formed "for the purpose of minimizing the tax on the three other personal corporations in the United States," Mr. Wiggin testified. When the Shermar Corp. (U. S.) had a big profit in a stock it transferred the stock to one of the Canadian companies, taking stock and debentures of the Canadian company in return. The Canadian company in turn sold the stock, and an income tax payment in the United States was thus avoided.

Some of his family corporations made loans to directors of Chase National, and at the end of 1932 these were still unpaid but the directors voted Mr. Wiggin a retirement salary for life of $100,000 yearly.

* * *

U. S. Wine Demand Growing

THE United States consumption of wine has trebled since 1914, according to Senator Millard E. Tydings of Maryland. He states that in 1914 Americans drank 52,500,000 gallons of wine of which 7,500,000 gallons were imported. Wherever he got his statistics, he states also that the wine consumption in 1927, a prohibition year, was 152,000,000 gallons.

Canadian Wineries, which has been canvassing the situation in the United States with the object of establishing its own subsidiary company to make sparkling wines in New York State, is very much interested in this reputed increase in consumption. It will have plenty of competition, however. The present internal tax on still wine is $1.10 a gallon and imported wines would pay a duty as well of $1.25 a gallon. The sparkling wines internal tax is $1.92 a gallon and the duty $6 a gallon. Hence the proposal of Canadian Wineries to manufacture in the United States.

It is reported that, where formerly there were about thirty distributors of wines in the United States, there are now fully 1,000 importers ready to take wines and liquors when repeal comes. Park & Tilford, New York City, alone are estimated to have ten million dollars invested in stocks against December 5. They have sixty salesmen out taking orders. Big wholesale grocery houses are considering the business and it is expected that there will be sales by chains, drug stores and groceries. During prohibition home vintages grew considerably, it is said.

California wine-makers are very busy. Grapes, which were a year ago almost a drug on the market, are now selling for as high as $80 a ton. Canadian wine-makers were forced to pay $40 a ton last season while $15 was being paid in the market for grapes to eat. They thought they were hardly treated but now they do not know. The situation will have many repercussions. Too much may be made in the course of a few years.

BUFFALO-CANADIAN UNCOVERS 4 VEINS

Four Veins Found and Winter Camp Has Been Built

Exploration at the property of Buffalo-Canadian Gold Mines, in the Swayze area, has to date uncovered four veins, one of which has been traced for a length of 1,000 ft., giving high assays in grab samples.

The company's property comprises 18 claims in Swayze township, about three miles southwest of the Kenty Gold Mines and was acquired by the company from J. H. Collins in consideration of 200,000 treasury shares.

Encouraged by the work done the last few weeks the company has established permanent camps at the property, has increased the crew to some 15 men and plans on continuing exploration. Work is in charge of the Kenty brothers who staked the Kenty property. While officials realize that the importance of the property cannot be appraised at the present time, yet they view with encouragement the results that have been found to date as do visiting engineers, and plan continuing work that its potentialities may be appraised.

The company has an authorized capitalization of 3,000,000 shares of no par value of which 1,600,000 are outstanding. Its holdings in Rouyn township, Quebec, are idle at the present time.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Rockcliffe Park, Ont.	Sept.	Civil Service Mutual Benefit Assce.	5½%	20-ins.	$2,999	100.07	5.49%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Maturity	Amount	Price	Yield
National Grocers Co.	Nov. 7	Nesbitt, Thomson & Co.	6%	1948	$1,250,000	96	6.40%

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TORONTO, NOVEMBER 11, 1933

WHO WILL CONTROL OUR CENTRAL BANK?

THE attempt of a London, England, financial group to set up a chain of Empire banks which would in time become branches of one large central bank for the Empire has met with one obstacle after another. But these obstacles were anticipated by the persistent advocates of such a well-integrated scheme of Empire monetary control. Their setbacks do not deter them from their efforts nor sway them from their determination to place the monetary policies of every Empire country under the domination of the Bank of England which, in turn, is controlled by the large discount and acceptance houses and international banks of London, whose partners comprise a majority of the directors of the bank.

An attempt to have a resolution favoring the establishment of a central bank for the Empire passed at the Empire conference of 1932 ended in failure. Since that time the effort has been devoted to setting up supposedly independent central banks in different Empire countries in the knowledge that it would be a very simple matter to link these together in a common policy at a later date.

The propaganda has, of course, been very vigorous in Canada. Those who favor setting up a satellite federal reserve institution in Canada which would be virtually a sub-branch of the Bank of England have scored some important victories. One of the best of their strokes was in having Sir Charles Addis, a director of the Bank of England, a director of the Bank of International Settlements and chairman of one of England's international banking houses, appointed as a member of the commission.

Canadians should weigh very seriously whether they want their monetary and credit policies to be dominated by Threadneedle Street. If there is to be true economic cooperation within the Empire there must be a certain amount of financial co-operation but Canada has endeavored to extend to Empire countries the fullest degree of economic co-operation possible without foregoing our economic independence and without limiting possibilities for development of our trade with the United States and other countries.

The plan to give Canada a central bank that would be virtually run from London is in the financial field what Empire free trade is in the economic field. It is dangerous and impractical for us. Thus, Empire free trade would make Canada merely the producer of raw materials for British manufacturing plants. The plan to establish a central bank in Canada to work very closely with the Bank of England would place our entire financial policy at the mercy of a group who would dictate it for purposes and with objectives in view quite foreign to our interests.

After the Macmillan Commission majority report recommending a central bank for Canada has been published and when Parliament gets into a discussion on the matter we must be on our guard to see that the reforms that we may consider advisable in our banking methods and policies are carried out in such a manner as to retain complete national independence in finance. We must leave the determination of our credit and financial policies in the hands of Canadians, subject only to those inescapable outside influences that come from our being a borrowing country and one of the world's great traders.

REDUCING INTEREST RATES

FURTHER reduction in the rate of interest paid by Canadian banks on savings deposits appears probable within the next six or eight months. After paying 3 per cent for over 35 years, the banks reduced the rate to 2½ per cent effective May 1 last. While the full effect of this reduction has not been felt as yet, it would seem that there has been little tendency on the part of depositors to withdraw their funds and invest in securities offering a higher return.

Reduction in the rate of interest paid by the banks ought to give additional impetus to a movement to reduce the rates of interest paid by all types of borrowers; a movement that many feel is essential before there can be substantial recovery. Fixed charges on governmental, municipal, corporation and agricultural debts have grown increasingly oppressive as revenues have decreased during the past four years. Operating expenditures have been reduced in many cases but economies of operation can be carried only to a certain point and after that there is only default on obligations, failure and, for many debtors, ruin.

Practically coincident with the reduction in the rate of interest paid on deposits effective last May, the banks reduced the rates charged on loans to municipalities and agriculturists by ½ of 1 per cent as well as the rate on loans secured by highest grade Government bonds. The rate to municipalities cannot well be cut below the rate at which the municipality can borrow in the open market through issue of long-term bonds and it would seem that any further reduction in the rate of interest charged on loans will chiefly benefit the agricultural community admittedly burdened with interest charges that are disastrously heavy in view of the relatively low prices prevailing for agricultural products.

Since May, 1933, yields on Dominion of Canada bonds have shown a fairly steady decline. While a contributing factor to this decline, the lower rate of interest paid by the banks cannot be held entirely responsible. The lower interest rate on deposits, however, does offer inducement to many depositors to invest to a greater extent in Federal bonds and with heavy maturities to meet in November, 1934, the Dominion Government is only too willing that the market for its issues shall strengthen so that refunding can be done at lower cost and the fixed charges of the National Government so reduced. Not only will the Federal Government benefit but sound provincial and municipal borrowers will be beneficially affected and, finally, corporations may be able to come into the market. Thus by a natural reduction in capital charges recovery is quickened.

Policy of the banks with regard to interest paid on demand deposits is not uniform and varies according to the size and nature of the deposit. Last May the rate on demand deposits was not changed and it was then felt that this action might come at a later date. There opens, therefore, the possibility that both savings and demand deposits may be affected by the next reduction in interest rates; a possibility strengthened by the precedent of the United States where national banks are not permitted to pay interest on demand deposits. Such action should further increase the demand for high-grade securities particularly short-term Government bonds.

SOCIAL OBJECTIVES AND ECONOMICS

IN HIS address in Toronto last week, Arthur Krock, Washington correspondent of the New York Times, asked Canadians always to keep in mind the social purposes of the N. R. A. and other Roosevelt policies.

From the day President Roosevelt was inaugurated, The Financial Post, in all its discussions of the N. R. A. and other major aspects of the United States recovery programme and the New Deal, has emphasized this point. Roosevelt is engaged in a vast programme of redistributing wealth in the United States, of ending admitted abuses in the particular American adaptation of the capitalist economy and of generally effecting a vast sociological reform movement across the border. In this ultimate objection, there must be the deepest sympathy on the part of all good citizens, not only of the United States but elsewhere.

There have been plenty of comments that the president is a better sociologist than economist. Lack of recognition of the simple economics of many situations has been the root cause of most of the mistakes that have been made at Washington.

In this present day, one is very chary of speaking of economic laws. To speak of a natural law implies a studied scientific concept which is difficult to apply to any phase of the varying philosophies of political economy. Nevertheless, there are certain economic principles that must be reckoned with. It may be that many of these are illogical and even irrational, but so long as they are part and parcel of the thinking of every day citizens they have, temporarily at least, the same effect as though they were laws as immutable as some of those accepted by scientists in the field of physics and chemistry.

A sound social purpose combined with bad economics is incapable of achievement. It runs into the same obstacles as an attempt to rush human nature headlong into the acceptance of a logical idealism.

BRITISH FILMS WIN ON THEIR MERITS

THE British film quota has been raised to 15 per cent. Under the quota scheme, cinematograph exhibitors in the Old Country are required to show a minimum percentage of home produced films. In its earlier years of operation the film quota scheme proved embarrassing to the British film houses. Many of the producers showed an inclination to produce films of very indifferent character, knowing that they had an assured market. This was bad enough for the British film houses but in its long-term consequences it was much more dangerous to the producers themselves. At home British films became anathema to the British film fan. Some of the pictures found their way abroad, and particularly to Canada, and when they were shown they earned for British films a reputation for indifferent work which they are only now beginning to live down.

But with the advent of the talkie and with the arrival in the British film industry of men of vision, courage and wealth, British films took on a new character. Today in technical achievement, in story, in topical interest and in acting and speaking the British films are at least on a par with those being produced in Hollywood or any other world film centre. Not all British films are good, but the best of them can match the best of Hollywood's production. And this is the true test. For instance, the recently produced film, "The Private Life of Henry VIII" is an artistic product of rare distinction.

The British film industry has learned the lesson that an assured market must be built on quality of product and good service. Thus, the most elementary of merchandising principles has been demonstrated again.

CANADA'S FAIR DEAL TO INVESTORS

A TRIBUTE to Canada's sound money policy as interpreted in frequent speeches by Prime Minister Bennett is paid by the Buffalo Evening News. It quotes with approval the recent definition of Mr. Bennett of sound money as money possessing the quality that causes a person to accept it without question as to its value and to pass it along to other persons with the same confidence in its worth.

"Canada," the Buffalo newspaper remarks "is one country which has neither repudiation nor debt readjustment campaigns in her records. Investments there take about the same chances as in the United States and under much the same conditions." It is this lure of safety and stability that has brought to Canada so much outside capital including nearly $4,000,000,000 of American money, according to The Financial Post's estimates.

But there is more than sound money, more than the official assurance of currency stability to this job of merchandising our invitation to the foreign investor. The third important prerequisite is fair treatment on the part of the great mass of the public to those who invest their money in Canadian enterprises. The Buffalo Evening News states that there is in evidence a disposition among Canadians to patronize native or British business in preference to American. But while this is undoubtedly true regarding our import purchases, it plays only the smallest part in the relations of Canadian people as consumers toward enterprises that have been established in Canada with the aid of outside capital. For to the vast majority of sensible Canadians, the branch plant established here of an American or British firm is to all intents and purposes a Canadian company.

If we want to continue to expand industrially it is essential that this spirit of reasonable co-operation with those who have come here at our invitation should be continued. What would be the point of getting out the brass bands to mark the gala opening of a new American-controlled industry in a Canadian industrial town if consumers were to boycott its products under the influence of some great fear that the profits were to go to Americans and not to Canadians. Profits are, on the average, a trifling share of the consumers' dollar.

Hitler has established it as part of German policy that industries, stores and other enterprises controlled by foreign capital shall not be recognized as German companies. In the post-war period, Germany was glad enough to take advantage of the billions of dollars of outside capital that were used to rehabilitate industrial and community life on the Reich but the newer Hitlerite policies, which are simply an invitation to foreign investor to kiss the major portion of their capital good-bye, are rapidly making it certain that American capital will not again, during this generation at least, be available to help re-establish that country.

The Buffalo paper may well compare the generally unhappy experiences of Americans in their foreign investments with the fairer treatment that they have received in Canada.

WHEAT AND TEA

CANADA has signed an agreement to restrict wheat exports. Nothing is being done by wheat growers in the world to increase consumption of wheat. Canada, for example, makes practically no effort to merchandise to importing countries the exceedingly high quality of her wheat.

Tea growers throughout the world faced a situation similar to that of wheat producers. A growing disparity between production and consumption brought about severe price declines. A restriction scheme was agreed to; at the same time an international campaign to popularize tea and to increase consumption was undertaken.

Perhaps there is a lesson for us in what the tea people are doing.

EDITORIAL NOTES

Someone has discovered that the author of "Home, Sweet Home" was the son of a Jewish mother. Don't tell Hitler.

* * *

An investor in Toronto discovered to his horror the other day that he has been carrying thirteen stocks through the depression. Now he knows why they have been going down steadily.

* * *

Now that the New York mayoralty campaign is over we expect again to enjoy reading the newspapers of that city.

* * *

An American Congressman told the president "Some way must be found to increase commodity prices." Probably the president replied "You're telling me."

POST-scripts

AND now Roosevelt farm administrator R. G. Tugwell says that "sound money" means different things to different people. The soundest dollar is the one which Mr. Roosevelt said "would have a substantial equality of purchasing and debt-paying power for a generation," in Mr. Tugwell's opinion. At any rate it sounds fine.

The man in the street has his own views on what sound money should be. Asked whether he thought more paper money should be printed and used for inflation, a board room chair warmer was recently heard to reply:

"I don't care how much money there is as long as I get enough of it."

EMBARRASSING was the "faux pas" of a Toronto man who recently invited to luncheon representatives of the Empire's tea growers, now in Canada, on a campaign having as its objective increased tea consumption by Canadians.

As luncheon was being ordered the host remarked "We can have coffee in the lounge with our cigars." There was an intense silence. He hastened to correct the error and to say to his guests "Will you please tell the steward exactly how you would like your tea made."

They told him. "Put lots of tea in the pot. Put in the plain leaves, unwrapped in a bag. Bring us an extra pitcher of hot water." The steward promised to have it done that way. Said he "That's the way we used to make tea in Ireland."

But when the tea came it was wrapped in bags. "We haven't any bulk tea" he explained sadly. Apparently the tea men have a job ahead of them.

Sayings of the Week

"It is out of thought that action comes."—*Mrs. Franklin D. Roosevelt.*

* * *

"The United States may succeed in spite of herself because of her youth and vigor."—*Sir Josiah Stamp.*

* * *

"The ship of state must be steered by the farthest land mark visible to the captain."—*John Brett Langstaff.*

* * *

"I don't know what good making speeches does, anyway."—*Joseph V. McKee, New York mayoralty candidate.*

* * *

"Gold will be the means of leading the world out of the depression."—*Hon. Chas. McCrea, Ontario Minister of Mines.*

* * *

"In England, liquor is a gentleman's business. Some of the finest people are engaged in it."—*Charles C. Bellows, New York liquor importer.*

* * *

"The building of character is the greatest asset that could enrich the world of tomorrow."—*Dr. Basil J. Mathews, of Boston University.*

* * *

"The world is always distrustful when Germany is gathering new strength."—*Dr. Joseph Goebfels, Nazi Minister for Propaganda.*

* * *

"It is a great asset to have the benefit of an imagination unrestrained by any knowledge of fundamental principles."—*Owen D. Young.*

* * *

"By not co-operating with the Jews, communities lose a large part of the benefit to be derived from their merits." *Bertrand Russell, British philosopher.*

* * *

"The United States is not taking into account that the policy of devaluating the dollar threatens them with national impoverishment."—*Al Jeune, Paris banker.*

* * *

"I confess to the feeling that nowadays we listen to far too many speeches and read and think too little."—*Joseph B. Eastman, U. S. railway co-ordination.*

* * *

"It is a little hard, it seems to me, that first the Lord Mayor should speak, and then the Chancellor, and then Mr. Churchill, and then poor me."—*Montagu Norman.*

* * *

"Massage does not reduce the weight of the person taking the treatment but it does undoubtedly reduce the weight of the masseur."—*Professor E. C. Dodds, of the University of London.*

* * *

"I lately expressed a faint hope, which was little more than a fancy, that at last, even at the eleventh hour, it might be possible that Liberalism might remember Liberty."—*G. K. Chesterton.*

* * *

"There is plenty of war talk in Europe, but it is all bunk. It is easy to talk war but quite another thing to make it."—*Ralph D. Blumenfeld, chairman of the board of the London Daily Express.*

* * *

"All writings on economics up to the present time are as obsolete as the writings of the alchemists of the middle ages."—*Bassett Jones, Research Associate in Industrial Engineering, Columbia University.*

* * *

"No amount of inflation, no dumping or stabilization, no attempt at price fixing will, by themselves, prove enough to give real help to the farmers."—*U. S. Secretary of Agriculture Henry A. Wallace.*

* * *

"I am neither a high tariff man nor a low tariff man. I am one who will utilize the tariffs as an instrument of government to save our country from destruction and maintain our integrity in the market of the world."—*Hon. R. B. Bennett.*

* * *

"If all the income above statutory exemptions of those assessed for income purposes was taken, instead of the percentage that is taken, it would not pay the cost of our governments. The value of all the field crops would not pay our cost of governments."—*Alderman Dr. W. A. Lincoln, Calgary.*

* * *

"I am unwilling to subscribe to the surprising doctrine now openly advocated that 15 to 20 per cent of waste or misuse of funds or graft is reasonable in the public works programme and should be permitted by abandonment of regulations."—*U. S. Secretary of the Interior Ickes.*

* * *

"Most people have a erroneous view of the weight reducing character of exercise. The average person playing for roughly 30 minutes uses up about 300 calories, equal in terms of food to two slices of bread and butter, or two dry Martini cocktails." — *Professor E. C. Dodds, of the University of London.*

* * *

"The machinery created by the fathers of Confederation is as outmoded as an ancient ox cart. Our country today is carrying on the wasteful administration of nine provinces, or branches where five could do a vastly better job at a greatly reduced overhead." — *Major W. J. Baxter, vice-president of McConnell & Fergusson, Limited, Toronto.*

Financial New York Distrusts Gold Policy

Feeling is that Depreciating Dollar Without Stimulating Use of Credit Ineffective

By DR. GAINES T. CARTINHOUR,
of New York University

NEW YORK.—The new policy of the government in Washington to reduce the purchasing power of the dollar by raising the price of gold is attracting world-wide attention. Obviously, the importance of American monetary policy to Canada is that it is expected to affect the Canadian dollar as well as prices, and may also affect British and Canadian monetary policy. It is my opinion that the administration's gold purchase plan cannot have any material influence upon commodity prices.

It is absurd to suppose that you can name a figure for the gold value of the dollar in Washington and automatically alter the millions of prices of goods, and land, and securities. There is no direct connection between the price paid for an ounce of gold and the price paid for a bushel of wheat, a bale of cotton, a pair of shoes, a shirt, or any other article of use and consumption.

Must Use New Money

Commodities are not exchanged for gold but for currency and bank deposits. A change in the price of gold does not affect the price of commodities unless the change provides the public with both the money and a desire to spend it. Increasing the price of gold will naturally increase the monetary value of the gold reserve, thereby permitting the issue of more currency and credit. But the price of commodities will not be affected even if the price of gold is quadrupled unless the public is in the mood to take advantage of this added currency and credit-making capacity, and make purchases with it.

So far as the quantity theory of money is concerned, experience during the depression has shown that, far from being an actual cause, or even barometer, of price levels, the supply of currency has shown no direct relation to them. It affects prices only as it works through buying and selling. It must actually be used, and is only one of several factors which determine prices. Furthermore, gold does not have the importance that it did formerly. There is now no standard gold dollar as a basis for our money. Gold has been made like any other commodity.

Such a control plan may have some effect upon prices temporarily, from the psychological influence it may impart if the people become convinced that the permanent level of revaluation may be below the current figure. They may then acquire foreign currencies, stocks or commodities, reducing the exchange value of the dollar and raising the price of stocks and commodities. If the government is prepared to go far enough, prices may be raised in this way, but only temporarily.

Manipulation of a currency's gold content involves instability of foreign exchange rates, thus imposing a serious handicap to international trade. When one country depreciates its currency, other countries may establish high tariffs or embargoes against that country's export of goods, thus throwing these goods back on the home market and causing a fall instead of a rise in prices. Or a race in currency depreciation may be promoted, or prices may be beaten down in other countries without there occurring a rise at home.

Does Not Speed Velocity

Dr. O. M. W. Sprague, one of the president's most important advisers, has expressed the opinion that "prices will not rise because you have devalued the dollar." The government is now selling dollars in foreign exchange to buy gold. If gold is actually imported, it will merely swell our already huge hoard. There is no way provided thereby to increase the circulation of money or credit.

It is also difficult to stop at the right point a rise in prices brought on by currency depreciation and to keep the prices up once they are raised. There is always the danger that the result will not be a controlled price rise, but greenbackism. If advantages can be derived from devaluation, we should already have them because of the present depreciation of the dollar.

President Roosevelt is guilty of "putting the cart before the horse." Higher prices result from prosperous business conditions and are not a cause of same. As the demand for goods or services increases and the rapidity of turnover increases, the tendency is for prices to rise.

Whatever theories one may have regarding the effect of the gold content of the dollar upon commodity prices a review of the course of such prices during the past twenty years indicates other influences as the determining factors. As indicated above, the really important factor in such prices is profitable business, turnover accompanied, as it always is, by the expansion of bank credit, for business as distinct from speculative purposes. The brevity of this article does not permit further discussion on this historical point, but since gold and particularly the gold content of the dollar have had such a small effect upon the astonishing range of such price levels in the United States in the last twenty years, it is difficult to see how the current experiment can succeed in raising prices to the 1926 level as proposed. As a matter of fact, the main difficulty at the present time regarding commodity prices is in the maladjustment of prices of one group of commodities to those of other groups.

In view of the uncertainties involved in such an experiment, it is difficult to see how business can go ahead with any confidence in future stability or the reinvestment of capital in industry on any substantial scale attempted. All discussion in New York's financial district centres around the present monetary problem. The policy has been thoroughly examined, sympathetically, and antagonistically, and in almost every case the same conclusion has been reached, namely, that it is not going to attain its objective, and will very likely only lead to further complications.

"Stop Me If You Have Heard This One"

"Almost every man can find work if he uses his brains," asserted the man who had travelled a good deal—"that is, if he has the ability to adapt himself like the piano-tuner I once met in the West of America.

"'Why,' I said to him, for we were in a wild, unsettled country, '*surely* piano-tuning can't be very lucrative here? I should not imagine that pianos were very plentiful in this region.'

"'No, they're not,' said the piano-tuner, 'but I make a pretty fair income by tightening up barbed-wire fences!'"

In the Mail

Communist Propaganda

Editor, The Financial Post:

The enclosed clipping was cut from your issue of Oct. 28.

Is it possible that this is true? I have often read, with a grain of salt, statements of the amount of money that was coming into Canada from Moscow for communist propaganda. And as it would appear to me to be impossible for 43 such papers to be self supporting, are they being financed by foreign communist money?

If so, it would seem to me that it should be stopped.

J. W. McNICOL.

Lethbridge, Alta.,
Nov. 1, 1933.

Editor's Note: In the item referred to the Baroness de Hueck was quoted as saying: "There are in Toronto 43 newspapers printed in 18 different languages propagandizing communism."

As Others See Us

High Cost of Government

Merle Thorpe, in "Nation's Business," Washington.—"Why are we so much worse off than Canada?" said a visitor. "We don't hear Canada complaining about their cost of government."

I tossed him an issue of The Financial Post of Toronto, which describes the situation in the town of Sandwich, Ontario, one of 4,000 Canadian governmental spending bodies. Here is what he read:

Between 1927 and 1931 public expenditures rose 56 per cent. In the same period assessed value of real property was hoisted more than 52 per cent, "much of which was palpable inflation." Sandwich councillors were spending more money than the people had to give them. Of the taxes levied in 1927, 77 per cent were collected; of those levied in 1931, only 57 per cent were paid.

When the taxpayers showed their inability to finance the expenditures authorized by the town government there was no cessation of spending. Rather, the town began to borrow from banks. Loans increased in four years from $158,000 to $524,000, apart from loans on capital account. At the same time, borrowing for local improvements and schools proceeded unchecked. The judgment day arrived. Sandwich defaulted on its debentures.

"Well," said our visitor, "there seems to be no geographical or dimensional immunity to the fate of the spendthrift."

Behind a Central Bank

Ottawa Citizen.—From the beginning of the deliberations of the commission on banking in Canada, it has been indicated that a central bank would be the chief and ultimate outcome. Some weeks ago, The Citizen quoted from the New English Weekly a statement which hinted that this design was deliberate.

The statement in part said:

"Whatever the origins of the movement for a central bank in Canada, our Canadian friends will not, we are sure, be deceived into supposing it possible for a committee of the constitution of Lord Macmillan's to have any other final goal than the subjection of Canada to international central bank control regardless of the well-being of her people."

Since this view of an observant London political weekly was quoted, Premier Bennett has foreshadowed the establishment of a central bank also. And now The Financial Post of Toronto has been studying the matter and comes to the same conclusion as the New English Weekly.

"The Bank of England crowd have worked consistently to establish in the Empire a ring of central banking organizations which would be dominated by a keystone institution in London, thus strengthening the grip of a small group of international bankeds, whose chief financial instrument is the Bank of England, on Empire finance, and making banks in the dominions pawns of a gigantic scheme of Imperial control through finance.

Here is a plain suggestion that the central bank scheme is being fastened on Canada by the international financiers who direct the fortunes of the Bank of England, and so of the British nation, and who hope eventually to direct the fortunes of the Empire as a whole. When the enabling legislation is introduced into Parliament next year, Canadians should be given the opportunity to discover for themselves whether they are being made the victims of a well-planned scheme to bring their own financial system into the orbit of financial imperialism or not.

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The Week in Business

Demand For Flour Slips

THE depressing effect of declining wheat prices is seen this week in figures released from Ottawa, showing October exports of wheat flour from this country. Flour exports in the first two months of the current crop year started out at a level 60 to 70 per cent above the corresponding figures of last year but as wheat prices started to falter, demand dwindled and the October figures are actually 14,000 bushels under those of the same month in 1932. Exports for the first three months of the year are still 24 per cent above the 1932 level but the future is not bright unless rising prices or at least firmness appear in the wheat market. Declining wheat prices have effectively curbed much of the trade which had developed earlier in the year. Flour prices, however, are holding above 1932, the average price for October being $3.67 per barrel against $3.20 the previous year and $3.38 in the same month of 1931.

Similiarly, exports of wheat for October and for the first three months of the year have been disappointing. Only 23,300,000 bushel were shipped from Canada in October against 40,000,000 in the same month a year ago, although the 1933 figure is higher than shipments in October, 1931. For the three-month period, Canadian sales are 40 per cent below last year. Prices, however, are much better with the average price in October 68 cents compared with 53.4 cents a year ago and 56.9 cents in the same period of 1931.

* * *

Selling Our Eggs

THERE is every indication that Canada's export trade in eggs this year will be the heaviest since 1926. The shipping season to Great Britain starts early in September and continues until the close of navigation on the River St. Lawrence, which is the latter part of November. From the start of the 1933 season until October 28 a total of 889,830 dozen had been exported and it appears probable that the total exports this year will be 1,500,000 dozen. The tariff preference given by Britain on eggs imported from other British countries has been a factor in the reopening of Canada's export trade in eggs to Great Britain.

In the earlier years of the present century Canada had an extensive trade in eggs to Great Britain, exporting as high as ten and eleven million dozen per year. Then the exports fell off for several years. During the Great War the British market bought heavily from Canada. For a time following the war the demand declined. It increased in 1920 when the total exports were over 6,000,000 dozen. Since that year there was again a falling off and during the calendar year 1932 exports were only about 270.000 dozen. Canadian eggs, however, have always enjoyed a high rating in the British Isles and the reason for the decline in exports was chiefly the increased demand in the domestic market.

* * *

AS ALREADY reported on this page in recent months, the Maritime provinces are currently enjoying a larger share of returning prosperity than any other economic area in Canada. According to The Financial Post monthly index of business conditions business in that area is now almost 6 per cent higher than the average during 1926, and shows a gain of over 23 per cent from the low point of the depression.

The situation in that area is aptly reviewed in the current monthly letter of the Royal Bank which devotes a special section to a recitation of the economic gains of that area. It says in part:

> "In the past and particularly since the depression of 1920, recovery has come more slowly in the Maritime Provinces than in other parts of Canada, but the present strong upward trend has been shared to the full in the Maritimes. The number of men at work in the steel plant at Sydney is more than double the number employed last year at this time; lumber prices have increased and lumber sales are better than for many years. The crops of the past season have been satisfactory; the apple crop was of bumper size and the potato yield was abundant.
>
> "The atmosphere of gloom and depression prevalent last year has given place to confidence and optimism with the general improvement in almost all lines of business."

Maritimes Buy Fertilizer

At the recent annual meeting of the New Brunswick Agricultural Societies United, a farmers co-operative fertilizer purchasing organization, it was reported that purchases of fertilizer for the present year amounted to about 8,000 tons valued at $200,000. Purchases were made in Canada, the United States and Europe.

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Business Conditions in Canada

RETAIL SALES MADE GOOD GAIN INDEX SHOWS

September Sales 15.6 p.c. Higher Than August — More Than Seasonal

Showing a more than seasonal gain, the index number of retail sales issued by the Dominion Bureau of Statistics rose to 85 in September from 73.5 in August, an increase of 15.6 per cent. This is the best increase for the same two months during the past five years when the average increase has been 8.5 per cent. The general index in September, 1932, was 83.6 and with the index at 85 in September, 1933, there would appear to be an improvement of 1.62 per cent in retail sales over a year ago.

Comparison of September, 1933, sales with those of September, 1932, shows boots and shoes up 8.2 per cent, clothing up 1.45 per cent, business of dyers and cleaners up 1.24 per cent, general and departmental store sales up 6.25 per cent, hardware sales fractionally higher. Sales of the drug chains declined by 4.5 per cent, sales of grocery and meat chains declined 3 per cent, sales of music and radio chains were down 28 per cent and candy sales were fractionally lower.

Comparison of September, 1933, business with that of the previous month shows only two classes of retail sales lower. Sales by candy chains were down from 68.3 to 66.8 and restaurant sales were down from 60.9 to 59.3. Largest gains were seasonal in character with boot and shoe sales up 39.2 per cent over August, clothing sales 33.4 per cent higher, general and departmental store sales 22 per cent. Hardware sales were up 20.7 per cent. Business of dyers and cleaners increased by 18.1 per cent, furniture sales were higher by 17.3 per cent, radio sales were up 44.5 per cent and grocery and meat sales up 3.65 per cent.

Alberta Wool Output

Alberta wool production for the 1933 season totalled 3,400,000 pounds, valued at about $340,000 according to figures released by Provincial Government officials. Of the total production this year, 1,980,000 pounds was handled by co-operatives.

Britain Asks for Conference On Taxation

From Our Own Correspondent

OTTAWA. — Following the decision of the Canadian Government to impose an income tax upon part at least of the British export trade to Canada, the British Government has renewed its request for a conference between the British and Canadian governments, looking to the avoidance of double taxation.

It is learned here that the Canadian Government does not regard this invitation with enthusiasm, although the nature of the reply that will be sent is not known.

First Request Ignored

The first request for a conference of this kind was sent by the British Government to Ottawa in July, 1932. For reasons never made public, the Canadian Government never replied Hoping for a more favorable outcome, the British Government has renewed its request in the past few weeks.

Canada Failures Decline 27 p. c. In Ten Months

Steady improvement in business mortality in Canada is indicated by weekly figures of failures under the Federal Bankruptcy Act as recorded each week in the Canada Gazette.

In the first ten months of the year there have been only 1,283 failures recorded in Canada under the federal act. This is a decline of 480 or 27 per cent from the corresponding figures in the same period of 1932.

Figures for the first 10 months of the year by provinces, follow:

No. of Failures in Canada
(Jan. 1—Oct. 28)

	1932	1933	Decrease Dec.
Prince Edward Island ..	12	8	4
Nova Scotia	62	55	7
New Brunswick	67	40	27
Quebec	568	388	180
Ontario	730	567	163
Manitoba	63	57	6
Saskatchewan	59	43	16
Alberta	104	71	33
British Columbia	98	54	44
	1,763	1,283	480

BUSY PROGRAMME FOR COMMISSIONER OF COMBINES ACT

Gasoline, Tobacco Retailing and Breweries Are Under Scrutiny

From Our Own Correspondent

OTTAWA.—While there are unlikely to be early developments of major importance in the enquiry into gasoline prices, the Combines Investigation Act staff at Ottawa is hard at work gathering data. No commission has yet been appointed to undertake the probe. In addition to the gasoline case, a number of other complaints of price fixing in contravention of the statute, are being investigated.

The Western coal case, which originated in a complaint from a group of Winnipeg men, has been definitely closed at Ottawa. It is learned that the Attorney-General of Manitoba has instituted an enquiry and any action that may be taken will be taken by the provincial authorities.

Retail Tobacco Survey

While the enquiry into the tobacco industry failed to disclose evidence of a combine, within the meaning of the Combines Investigation Act, it is understood that the retail end of the tobacco business is being looked into. That there is a fair measure of price control in the retailing of cigarettes is common knowledge, but whether this control operates against the public interest remains to be proved.

Alberta Breweries

The latest complaint to be received by the Combines Investigation office comes from Alberta and alleges that there is a price fixing combine among Alberta breweries. An enquiry has been launched and it is apparent that at least one point of general interest will have to be dealt with. This point arises by reason of the control over breweries exercised by the provincial government.

The Combines Investigation Act is intended to prevent price raising and the surest cure for exorbitant prices is believed to be open competition. Where open competition is absent by reason of an agreement among producers, the act provides a ready and sure remedy. But where open competition is prevented by provincial statutes and provincial regulations it is a moot point as to whether the Federal statute can afford relief.

Business Briefs

Failures under the Bankruptcy Act as disclosed by the Canada Gazette for the week ending October 28, 1933, show a decrease of 27, the figures being: 1932—45 and 1933—18.

Car loadings in the week ending October 28, totalled 49,502 cars, a decrease of 2,203 cars from the previous week, which reduced the index number of car loadings from 66.57 to 61.83. Grain in the western division was down by 1,680 cars and miscellaneous freight was lighter in both divisions. Shipments of livestock, coal and coke were heavier but all other commodities showed decreases.

Copper production in Canada in August totalled 28,099,702 lbs., which compares with 17,666,618 lbs. in August, 1932, and 29,468,497 lbs. in July, 1933. In the first eight months of 1933, Canada produced 185,491,009 lbs. of copper which compares with 166,138,017 lbs. in the corresponding period of 1932.

Asbestos shipped by Canadian producers in August amounted to 16,393 tons, the highest monthly total since October, 1931. In the first eight months of 1933 Canadian shipments of asbestos totalled 79,556 tons as compared with 72,539 tons in the same period of 1932. The United States remained the principal market for Canadian asbestos and took 82.5 per cent of tonnage exported in August.

Immigration figures for September show 1,438 people entering Canada, a decrease of 23.1 per cent from the 1,871 entering Canada in September, 1932. British immigrants numbered 271, a decrease of 24.1 per cent, immigrants from the U.S. numbered 792, a decrease of 38.1 per cent while there was an increase of 30.9 per cent in immigrants with northern European origin and 68.3 per cent increase in immigrants with other origins. In the six months ended September 30, 1933, 6,425 people have entered Canada as compared with 10,472 in the corresponding period of 1932.

Commodity Prices

	Week ending Nov. 4	Previous week	Same week last yr.
Cattle, cwt.§	$4.80	$4.80	$4.75
Copper, lb.	.08¼	.08¼	.05¼
Cotton, lb.	.0975	.0975	.0645
Rubber, lb.	.0818	.0771	.0345
Sugar, raw, lb. .	.0330	.0320	.0310
Silk, lb.	1.55	1.60	1.62½
Wheat (Man.) bu.°	.62⅞	.62	.46⅛
Hides, lb.	.10	.10	.06½
Coffee, lb.	.07¼	.07¼	.08¼
Weekly Indices			
N. Y. Annalist‡	103.8	103.8	88.5
Fishers'	♦71.8	71.6	†62.0
N. Y. Journal of Comm.■	70.9	72.1	57.3
Crumps (Brit.)•	63.9	63.8	†62.4
Canada (D.B.S.)▲	88.0	83.6	...
U. S. Labor* ..	71.1	71.3	64.4

†Average, 1932.
*Week to Nov. 4.
‡Week to Oct. 31.
▲Oct. 28.
•Oct. 14.
♦Nov. 4.
§Nov. 2.
°Nov. 6.
■Nov. 4.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (October)	67.9	68.9	65.0
Retail (Sept.)	78.2	78.6	81.4
U. S. Labor (Sept.)	70.8	69.5	65.3
Gt. Brit. August) .	69.2	69.0	67.1

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York; silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Gov't Guarantees Quality Of Bacon for Great Britain

Canadian Packers Thoroughly Approve New Regulations to Grade Wiltshire Cut Bacon in Dependable Manner

Canadian packers are in full accord with the general provisions of the order-in-council just enacted by the Dominion Government and published in the Canada Gazette whereby bacon grades are set forth and whereby all exporters to Great Britain must have licenses for export. They believe that more uniform quality for the British market will result and will enhance the prestige of Canadian bacon and thus be good for exporter and producer. Department officials now in England will shortly return, and on the basis of their findings definitions and grades will be more specifically set.

The principal exporters in the past have established their own brands and their own grades according to their idea of British tastes but the Dominion Government feels that the producer will benefit from a policy of establishing confidence in Great Britain in all Canadian bacon even though preference for individual brands may also arise.

Those getting Dominion licenses to export to Great Britain must stamp, stencil or brand in a neat clear manner, as prescribed by the regulations, all bacon, Wiltshire cut, destined for export to Great Britain and the official brand "Canada" must be of a distinctive type.

Grades, as follows, will be further defined later:

Grade A bacon of standard selections, of good quality and conformation as prescribed;

Grade B bacon of standard selections of good quality as prescribed, and

Grade C bacon of other than standard selections as prescribed.

Each shipment of bacon shall be accompanied by a statement issued and signed by the exporter showing selections, grades and numbers of packages.

This order-in-council is issued under the provisions of Section 4 of the Live Stock and Live Stock Products Act, Chap. 120 of Revised Statutes of Canada, 1927.

Make International Survey of Road-Rail Competition

An international report on the road and rail transport problem dealing with the main issues of modern transport policy will be available shortly, as the result of the final meeting of the committee of independent experts appointed by the International Chamber of Commerce.

The report is based on a unique survey of the conditions of road and rail competition in 37 countries. Its main features deal with: Relationship between the state and the railways, relationship between the state and motor transport, the alternative systems of road and rail co-ordination, as well as with the tariff system.

A further, factual report describing existing conditions in each of the countries surveyed, together with comparative tables, will, it is hoped, be ready early next year. It forms the background to the policy report about to be issued.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	Weekly Latest 1932	Cumulative Jan. 1 to date 1933	Cumulative Jan. 1 to date 1932
Transportation—				
Car loadings (Oct. 28)	49,502	46,693	1,656,315	1,822,996
C. P. R. gross earn. (Oct. 31)	$ 3,683,000	$ 3,528,000	$ 92,125,000	$ 101,283,000
C. N. R. gross earn. (Oct. 31)	$ 4,679,457	$ 4,846,527	$ 118,662,012	$ 130,288,311
	Monthly			
C. P. R. net earn. (Sept.) ...	$ 3,003,328	$ 3,722,576	$ 9,971,451	$ 10,531,370
C. N. R. net earn. (Sept.) ...	$ 2,058,858	$ 2,238,945	$ 907,373	$ 2,601,829
Iron and Steel—				
Pig iron, tons (Sept.)	30,738	5,709	133,870	96,219
Steel, tons (Sept.)	38,630	23,139	266,829	257,843
Automobile prod. No. (Sept.)	5,808	2,342	56,689	53,550
Auto Vehicles—				
Passenger, sales, No. (Sept.)	2,722	2,218	36,173	35,581
Trucks & buses, sales, No. (September)	719	695	4,775	6,336
Auto. exports, No. (Sept.) ..	2,247	1,712	14,505	7,942
Construction—				
Building permits (Sept.) ...	$ 2,082,839	$ 2,449,735	$ 16,125,512	$ 35,026,199
Contracts (October)	$ 15,014,300	$ 8,875,600	$ 78,445,000	$ 118,510,400
Newsprint—				
Production, tons (Sept.) ...	179,416	150,691	1,448,249	1,455,348
Exports, tons (Sept.)	177,805	169,277	1,318,224	1,387,263
Sugar—				
Imports, raw, lbs. (Sept.) ...	48,576,000	57,911,500	423,247,900	577,764,500
Melt. & ship., lbs.*	76,857,654	92,239,204	572,578,024	661,401,963
Manufactured, lbs.*	87,616,868	106,613,372	573,874,868	656,614,187
Flour—				
Production, bbls. (Sept.) ...	1,392,683	1,384,500	9,438,280	9,790,923
Wheat flour exp., bbls. (Oct.)	514,368	528,794	4,124,351	4,062,894
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Sept.)	112.04	35.45	699.18	534.59
Boots and shoes, pr. (Aug.) ..	2,237,179	1,708,359	13,035,938	12,217,428
Petroleum, imp., crude gal. (September)	108,097,228	76,913,048	605,947,426	721,880,179
Cotton, imp., raw, lbs. (September)	7,409,192	4,553,000	68,549,192	61,132,000
Rubber, raw, imp. lbs. (Sept.)	5,868,575	6,204,016	28,639,451	38,473,675
Coal, imports, tons (Sept.) ..	1,463,108	1,296,274	7,932,705	7,939,816
Gasoline sales, gals. (Aug.) ..	61,862,000	61,668,000	318,335,000	326,277,000
Trade—				
Imports (Sept.)	$ 38,698,416	$ 34,504,129	$ 281,104,940	$ 348,789,473
Exports (Sept.)	$ 57,784,804	$ 42,186,815	$ 359,947,004	$ 348,622,430
Wheat exports, bus. (Oct.) ..	23,305,510	40,192,415	151,366,940	173,181,780
Labor—				
Employment Index (Sept.) ..	90.4	86.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Sept.) ..	1,489,329	1,279,136	12,523,497	11,591,420
Electric Power—Output—				
Failures, No. (August)	150	188	1,431	1,588
Failures, Liabilities (Aug.) .	$ 2,357,510	$ 2,825,097	$ 24,002,759	$ 27,008,387
Bank debits (Sept.)†	$ 2,457,108	$ 2,097,981	$ 21,828,717	$ 18,926,189
Bond sales (Sept.)	$ 421,279	$ 73,191,947	$ 249,127,454	$ 271,594,753
Insurance sales (Sept.)	$ 25,381,000	$ 25,207,000	$ 261,117,000	$ 306,579,000
Automobile Financing—				
Used cars (September)	$ 764,400	$ 958,253	$ 8,491,344	$ 10,804,794
New cars (September)	$ 837,149	$ 938,254	$ 8,573,644	$ 11,006,906

*Four weeks period, Sept. 16 to Oct. 7. †(000's omitted). ‡Deficit.

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CANADIAN NICKEL PRODUCTS LIMITED
25 KING STREET WEST, TORONTO
A Subsidiary of
THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED

INCO NEWS

Interesting new uses of Nickel and Monel Metal in industry and homes

Textile Mills continue to purchase Monel Metal

Goold, Shapley & Muir, Brantford, Ont., have recently installed Monel Metal dyeing machines for Dominion Woolens and Worsted Spinning Mills, Auburn Mills, and for Penmans Limited, Paris, Ont. They are also installing new Monel Metal equipment for the Rumpel Felt Company, Kitchener, Ont., and at the plant of the Dominion Woollens at Hespeler, Ont.

John E. Riddell & Son of Hamilton, Ont., are using Monel Metal in a new installation for Chipman Holton Knitting Plant at Hamilton, Ont.

After considerable experience with Monel Metal, Canadian Cottons Limited recently placed orders for additional quantities of Monel Metal sheets, angles, tubes and rods for their Milltown, N.B. plant.

The demand for Monel Metal pails and dippers for use in dyeing plants continues to increase.

Monel Metal and Nickel Clad Steel Plate for salt industry

The Dominion Salt Company of Sarnia, Ont., and Canadian Industries Limited of Windsor, Ont., have both recently added to their Monel Metal equipment in their salt plants.

The Goderich Salt Co. recently placed orders with John Inglis & Co. of Toronto for a rotary dryer to be used in the production of salt. This dryer will require approximately four tons of Nickel Clad Steel Plate.

More Monel Metal for Pickling

For bolts, tie-rods and nuts in steel pickling, Monel Metal has proven its superiority over a long period of years. The Frost Steel & Wire Company of Hamilton, Ont., recently added to their Monel Metal pickling equipment.

Monel Metal for Marine use

Recent installations of Monel Metal propeller shafts have been made by the Ross Boat Co. Limited, Orillia, Ont., Minett Shields Limited, Gravenhurst, Ont., F. L. Buchanan, Orillia, Ont., Greavette Boats Limited, Gravenhurst, Ont.

The propeller shafts and propeller wheels of the world champion speed boat "Miss America X", were of Monel Metal.

J. J. Taylor & Sons, Toronto, recently purchased Monel Metal sheet, No. 8 finish, for pantry cabinet covers on a private yacht.

INCO MONEL METAL QUALIFIED FABRICATOR

Only experienced fabricators of Monel Metal display this sign. It is your guide to quality in workmanship and material.

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Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Positions Wanted

CHARTERED ACCOUNTANT WITH several years executive experience desires connection with well established industrial or financial firm. Excellent references. Salary $4,000.00 per annum. Box No. 206, Financial Post, Toronto.

Verbatim Reports

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

Service for Investors

INDIVIDUAL investors may secure a special service on specific companies in which they are interested. Service includes detailed analyses and all newscards and revisions published on those companies during the year. Send in your list of companies. Rate—$12 a year for any 10 companies. Additional companies pro rata. Or write The Financial Post Corporation Service, 210 Dundas Street West, Toronto, for further particulars.

Position Wanted

DEPARTMENT STORE MERCHANDISING executive or manager, over twenty years experience in all branches. Now employed as chain store executive, seeks change of position. Age forty, well educated, good appearance, with successful clean record of achievement references, full particulars, excellent. Apply Box 210, The Financial Post, Toronto, Ont.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 187

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1933, and that the same will be payable at the Bank and its Branches on and after Friday, 1st December next, to shareholders of record at the close of business on the 31st October, 1933. The Transfer Books will not be closed.

By Order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 20th October, 1933.

The Royal Bank of Canada

DIVIDEND No. 185

Notice is hereby given that a dividend of two per cent (being at the rate of eight per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1933.

By order of the Board.
M. W. WILSON,
General Manager.
Montreal, Que., October 17, 1933.

The Consumers' Gas Company of Toronto

NOTICE
of
ANNUAL MEETING

The **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS** of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide Street East, Toronto, on **MONDAY, the 13th DAY OF NOVEMBER, 1933, at 12 o'clock noon.**

By Order of the Board,
ARTHUR HEWITT,
General Manager.
Toronto, October 10th, 1933.

Mercury Oils, Limited

NOTICE
To Shareholders

Notice is hereby given that a dividend of four cents per share has been declared upon the Common shares of the Company, issued and outstanding, payable on January 2nd, A. D. 1934, to shareholders of record at the close of business on Thursday, November 30th, A. D. 1933.

The transfer books of the Company will be closed at 5 p.m. on Thursday, November 30th, A. D. 1933, and will be reopened on Saturday, December 30th, A. D. 1933.

By Order of the Board of Directors,
CHAS. BIGGS,
Secretary.
Transfer Office,
300 Lancaster Building,
Calgary.

Royalite Oil Company Limited

NOTICE OF DIVIDEND NO. ELEVEN

Notice is hereby given that a dividend of 50c per share has been declared payable to Shareholders of the Company of record as such on the books of the Company at the close of business on TUESDAY, the 5th day of DECEMBER, 1933, and that the Dividend will be payable on or after the 20th day of DECEMBER, 1933. Dividend cheques will be mailed from the office of the Company on the 20th day of DECEMBER, 1933.

The Register of Transfers will be closed from the close of business on the 5th day of DECEMBER, 1933, until the opening of business on SATURDAY, the 16th day of DECEMBER, 1933.

By Order of the Board,
T. E. BURNS,
Secretary-Treasurer.
Calgary, Alberta, 3rd November, 1933.

Borden's

COMMON STOCK DIVIDEND NO. 95

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable December 1, 1933, to stockholders of record at the close of business, November 15, 1933. Checks will be mailed.

THE BORDEN COMPANY,
E. L. Noetzel, *Treasurer.*

UNITED BOND INCOME LOWER PROFITS ARE UP

Bond Holdings Are Liquidated — Equities Are Increased

Revenue from investments held by United Bond & Share Ltd., was lower in the year ended September 30, 1933, than in the previous year and after deducting operating charges and income tax reserves the trust earned 58 cents per share on the 26,358 shares of common outstanding as compared with 75 cents in the preceding year. Purchase and sale of securities during the year resulted in a profit of $7,943 to which can be added $2,402 exchange on funds from sale of U. S. securities. In the previous year there was a loss of 18,013 on sale of securities.

As a result of profits on sale of securities of the trust was increased during the past year. Income and surplus account is as follows:

Income and Surplus Account, Years Ended Sept. 30

	1933	1932
	$	$
Int. & divds. rcd.	19,516	22,247
Exchange	1,520	3,227
	21,037	25,474
Less: Management fee	1,908	1,741
Taxes & insur.	1,279	882
Transfer agents & registrar's fees	467	426
Gen. expenses	333	134
Bank charges	...	281
Inc. tax res.	1,578	2,201
Net profit	15,472	19,809
Less: Divds.	17,641	19,761
Surplus for year	*2,169	48
Add: Prev. surplus	180,598	200,000
Profit on securities sold	7,943	...
Exchange on U. S. securities sold	2,402	...
Less: Loss on invmts.	...	18,013
Organization exp.	...	1,437
Surplus forward	188,773	180,598

* Deficit.

Investments of the trust are carried at $346,097. Stocks with a market value of $336,031 are carried at $309,632 and bonds with a market value of $35,144 are carried at $36,465. As at September 30, 1932, investments were carried at $342,525, of which $159,073 was in stocks and $183,451 was in bonds. Cash has been increased to $6,470 from $1,597. Interest receivable amounts to $789. Assets total $353,451. Current liabilities amount to $8,020 of which $5,812 is dividend payable. There remain outstanding 26,358 shares of no par common stock carried at $151,768 and 4,890 management preferred shares carried at $4,890. Holders of management preferred shares do not participate in earnings or assets of the company but when the net worth of each common share amounts to $34 all management preferred shares shall be converted into common stock on a share for share basis.

No list of investment holdings is given out by this trust but distribution of investments is as follows:

Distribution of Investments as at Sept. 30,

	1933	1932
Can. Govt. obligations	4.8%	28.5%
Other bonds	5.1%	27.0%
Preferred stocks	24.2%	19.1%
Common stocks	65.9%	25.4%

Metropolitan Commission Appointed for Ontario

Appointment of a metropolitan area commission has been announced by the province of Ontario. This body will investigate schemes for solving problems of municipal areas such as the border cities district and the Toronto group of municipalities among others. Taxation and provision of services will be investigate, it is understood, particularly in connection with highways, education, fire and police protection and other problems which involve municipalities grouped closely together.

Hon. Wm. Finlayson, Minister of Lands and Forests, is chairman of the commission. Other members are: W. A. Baird, M.P.P., Clifford Case, M.P.P., A. E. Honeywell, M.P.P., T. J. Mahoney, M.P.P., W. E. N. Sinclair, M.P.P., and Dr. Horace L. Brittain of the Citizens' Research Institute.

Gleneagles Investment Plan Meets Approval

From Our Own Correspondent

MONTREAL. — Bondholders of Gleneagles Investment Co., owners and operators of a large apartment building in Montreal, have approved a scheme of arangement whereby the company is relieved of certain fixed carrying charges. Interest payments are reduced from 6½ to 5 per cent and payment is made only if earned. Sinking fund is deferred until 1934. In return for these concessions the bondholders are given the senior class of stock carrying with it voting control of the company.

At present the apartment building is about 90 per cent rented.

Windsor and Scarborough to Consider Paying Interest

City of Windsor, Ont., and township of Scarborough, Ont., will consider payment of some interest on their defaulted bonds this year, The Financial Post is informed. Possibility of payment rests entirely on tax collections, it is stated.

There is believed to be a better chance of Windsor paying some interest than is the case with Scarborough. The defaulting municipalities cannot borrow from banks to make interest payments and can only pay when they have collected the money.

Quebec Handles More Grain

Grain deliveries from the Port of Quebec this year to October 24, including local and export business, total 11,166,425 bushels as compared with less than 4,000,000 bushels at the corresponding date last year. It is expected that the whole season's shipments this year will amount to about 20,000,000 bushels.

BRANT. CORD. MILLS ARE BUSY ON 1934 STOCKS

Earnings Increased in Short Crop Year Ended August 31, 1933

LIQUIDS HOLD UP

Strong English and Irish Competition — Preferred Dividends Not Entirely Earned in Last Period

Though binder twine prices were at the lowest levels in the history of the Brantford Cordage Co. and crop conditions were unsatisfactory as a result of a partial crop failure in the Canadian West, the company managed in the year ended August 31, 1933, to keep the mills in continuous operation and to finish the year with cash and liquid position showing the remarkably strong position which has been characteristic of its balance sheets for many years. Net profit, after depreciation and taxes, were $94,320 as compared with $72,588 in the preceding year but this was still insufficient fully to cover preferred dividends of $124,657.

Income and Surplus Account Years Ended August 31

	1933	1932
	$	$
Net earnings‡	101,320	79,588
Less: Sundry exps.	7,000	7,000
Net profit	94,320	72,588
Less appropriations:		
First pref. divds.	124,657	134,836
Deficit for year	30,337	62,248
Add: Prev. surplus	909,714	956,645
Disct. on shares	27,688	15,317
Balance forward	907,065	909,714

‡After providing for depreciation and taxes, etc.

By reason of savings made in redeeming its preferred stock below par the foregoing statement shows the company to have almost maintained its surplus at the point shown a year ago after maintaining dividends at the full $2 rate. It makes a good start on business for the current year.

Moreover, as The Financial Post ascertained on a recent visit to Brantford, the three big mills of Brantford Cordage Co. are whirring busily, as the largest company of its kind in the British Empire starts making its stocks of 1934 binder twine. A few weeks ago the company closed down for year-end stock-taking and since the new fiscal period which commenced September 1, it has already piled up substantial stores of twine for next year's crop.

Highlights of last year's operations were the severe competition met in Ontario and Eastern Canada markets, and the disappointing demand for binder twine in Western Canada as a result of the short crop.

Drought Boosts Carryover

Up until June of this year crop prospects in Western Canada indicated a substantial if not a bumper crop. Suddenly, drought developed and with a crop from 25 per cent to 30 per cent below the average of recent years, sales prospects dwindled and as a result the carryover of binder twine this year is greater than for many years past.

To offset this unfavorable circumstance, there is the probability that by the time the company comes to sell its binder twine in 1934, prices of both raw and finished products will be at least as good, if not considerably better than they were this summer. Thus, for the first time in several years officials of the company are not unduly worried about a heavy inventory position. Already this year prices of raw sisal are considerably higher, due largely to stabilization of the exchange situation, which has been unfavorable to the company since Britain went off the gold standard in 1931.

British Competition Bitter

A few years ago, the company's chief worry was the competition of Dutch and other foreign companies in the Western field. This situation has gradually improved, and although competition is still keen, drastic practices indulged in by the foreign manufacturers a few years ago have largely disappeared. This year competitive problems centred, however, in Ontario, where Irish and United Kingdom twine has been imported in large quantities by farmers' organizations and so forth. Both Brantford Cordage and International Harvester Co. decided to meet this competition as far as price was concerned, and it is no secret that both companies have lost a fair amount of money in trying to retain this market. United Kingdom twine makers are also competing to a considerable extent in Alberta by the use of the Panama Canal, which has cut their freight costs materially.

Working Capital Strong

Working capital position is still very strong as shown by the following table:

Working Capital

	1933	1932
	$	$
Current assets	2,185,970	2,236,877
Current liabs.	52,688	46,967
Working capital	2,133,282	2,189,910
Ratio	41.48—1	47.62—1

The most noticeable feature of the current assets is the increase in inventories from $242,024 to $558,692 (at cost, not exceeding market value). To finance that increase cash is down slightly from $1,304,679 to $1,290,333 and Dominion of Canada bonds from $251,824 to $47,481. Bills and accounts receivable are down from $426,407 to $289,464. The only item in current liabilities is $52,689, up from $46,967.

Land, buildings, machinery and equipment are shown at $1,189,631 and the reserve for depreciation at $662,113, or nearly 60 per cent. An amount of $83,723 was added to the depreciation reserve during the year.

Stop & Shop Sales Continue to Increase

Sales by Stop & Shop Ltd. in the four weeks ended October 7 amounted to $466,864, an increase of $2,106 over sales in the corresponding period of 1932. This is the smallest increase to be reported so far in the current year. Sales in the period ended October 7, however, were well in excess of the sales in the preceding period which totalled $395,059.

Total sales in the first 32 weeks of the current fiscal year amount to $3,655,268, an increase of 4.21 per cent over sales of $3,507,430 in the same period of 1932.

Walker's Changes Bonds Into Cash for Building $2,500,000 Distillery

Adjusting Liquids in Preparation for Big U. S. Business

PEORIA PLANT RISING

Already Manufacturing in Temporary Buildings — Earned 80 Cents on Preferred

Main interest of investors and shareholders in the consolidated financial statement of Hiram Walker-Gooderham & Worts for the year ended August 31, 1933, was not in the fact that earnings, after depreciation but before income tax, increased from $255,267 in 1932, to $370,741 in 1933, but in the adjustments made in the balance sheet to enable the company to erect the greatest distillery in the world at Peoria, Ill., and in the further fact that it has maintained its inventories of spirits at 14,500,000 proof gallons of spirits over against the opportunity now provided as the United States finally as a nation abandons prohibition.

On August 31, 1932, the company showed its investments at cost of $4,414,774 but on August 31, 1933, these investments had disappeared from the balance sheet and in their place stood cash of $4,255,869. In the preceding year cash had been only $72,136. It has been commonly reported that the new distillery at Peoria, Ill., will cost $2,500,000 and the company, therefore, has provided itself with ample cash to see through to completion its new enterprise in the United States.

Consolidated Income and Surplus Account, Years Ended August 31

	1933	1932	1931
	$	$	$
Net profit*	370,741	255,267	1,060,882
Less appropriations:			
Pref. dvds.	481,450	154,108	2,310,000
C. (old) dvds.	....	660,000	....
Loss for year†	§110,709	558,841	1,249,118
Add: Pre. surp.	4,662,259	5,340,282	6,868,480
Less. Inc. tax (prior year)°	24,937	119,171	279,080
Life insur.▲	15,252	....	....
Bal. car. frwd.‡	4,511,361	4,662,260	5,340,282

* After provision for depreciation, bad and doubtful accounts and contingencies, but before income tax. † Before providing for income tax. ‡ Before providing for dividends payable September 15. § Deficit. ° Including adjustments for prior periods. ▲ Difference between premiums paid and cash received on life insurance policy surrendered.

Preferred Earns 80 Cents

Net earnings, after depreciation, as shown in the foregoing statement, were equal to 80c. a share on 462,071 preferred shares outstanding at the end of the fiscal period or 77 cents a share on the average amount of stock on which dividends were paid during the year. In the previous period 50 cents a share had been earned on 514,345 shares of preferred stock then outstanding. And in the year ended August 31, 1931, 40 cents a share was earned on 2,640,000 shares of the old no par common stock outstanding at that time. Nothing was earned on the present common stock after depreciation, and sales at $40 a share now are in anticipation of United States business.

Before depreciation the company earned $598,116, or nearly $117,000 in excess of the year's dividend requirements. This item of depreciation at $227,375 compares with $134,195 added to the depreciation reserve on August 31, 1932, with $402,853 added to depreciation reserve on August 31, 1931, with $385,375 added on August 31, 1930, and with $413,169 added in 1929. These various additions to depreciation reserve have brought it to $4,954,271, or 57.34 per cent of the book figure of $8,640,197 at which consolidated plant and equipment are shown. This leaves net plant and equipment account at the sum of $3,685,926.

Working Capital Will Decline

Total working capital has been well maintained although the change in individual items portends a likely reduction on a considerable scale during the current year. If the company has already taken out, or is about to take out, $2,500,000 for the purpose of building the Peoria plant, that item naturally will appear in the next balance sheet outside of the current assets as an investment in the stock of Hiram Walker and Sons Inc., the United States subsidiary.

Working Capital

	1933	1932
	$	$
Current assets	14,749,871	14,494,061
Current liabilities	402,301	257,194
Working capital	14,307,570	14,236,867
Ratio	36.66	56.35—1

Bond Holdings Disappear

Cash which was $4,255,869 on August 31, 1933, one year earlier stood only at $72,136, in 1930 at $5,558,363 and in 1929 at $9,767,350. As cash declined in the last three years Dominion of Canada bonds began to go up, being $2,226,552 in 1930, $6,179,665 in 1931 and $4,414,774 in 1932, and now this item has disappeared, having outlived its usefulness as a store of value until the money was needed for a business opportunity.

The 14,500,000 proof gallons of spirits are shown on the balance sheet at $7,659,116, or an average of about 52.82 cents a gallon. Gallonage was maintained during the year by manufacture of spirits to replace those sold. Grain and raw materials increased during the year from $17,589 to $248,895 but barrels, bottles and supplies at $1,473,617 were about $26,000 down. Total inventories at $9,381,627 showed nearly $200,000 increase.

Current liabilities consisted of $286,784 bills and accounts payable as against $128,608 a year earlier and dividends payable on September 15, 1933, of $115,518.

Reducing Intangible Assets

The preferred issue, shown on the balance sheet at $20 a share, has been reduced from 660,000 shares several years ago to 462,071 shares, 197,928 shares less. The 52,274 shares redeemed last year were bought at a cost of a little more than $9.41 a share and brought the total thus spent to $1,864,963. This had its part in the reduction in cash and bonds in the current assets during the last few years.

The book profit of $539,621 resulting from the redemption of preference shares last year has been used in reducing the amount shown in the balance sheet as paid for the shares held in Hiram Walker and Sons Ltd. and Gooderham & Worts Ltd., above the issued value. The company acquired the shares of these two companies at $19,000,000. The issued value was $7,000,000 so that $12,000,000 was paid for these shares above the issued value. The company altogether now has saved $2,071,050 in the difference between the purchase price of preference shares and the book value and, therefore, has been able to reduce the $12,000,000 surplus paid for shares of its principal subsidiaries to $9,964,960 after taking into account also another item of $36,010 difference between book value of bonds sold at time of sale and the sale price.

Common stock outstanding amounts to 660,000 no par value shares shown on the balance sheet at $14,700,000.

Capital surplus is shown at $365,976 and earned surplus $4,395,843.

Managing United States Subsidiary

W. J. Hume, president, in the report of directors to shareholders, announces that management and control of Hiram Walker and Sons, Inc., the United States subsidiary, will be held inviolate by the Canadian company for five years through the device of three Management Preferred Shares. The holders of these Management Preferred Shares have the right to elect a majority of the directors of the subsidiary for five years from the date of issue of the shares and at the expiration of that period these shares automatically will be converted into common shares and lose the exclusive right. With the consent of all the holders such shares may be converted into common shares at any time prior to the expiration of the period. The three Management Preferred Shares are held, one each, by the three members of the executive committee of the board of directors of Hiram-Walker-Gooderham & Worts.

Mr. Hume reported that the foundations of the essential manufacturing units at Peoria, Ill., are already completed, and work on their superstructure proceeding. The board was confident that roofs will be on the main buildings early in January. Contracts for the necessary machinery and equipment have already been let and installation should be completed shortly after work is finished on the buildings themselves.

Manufacturing Now in Peoria

The Peoria distillery has been designed to operate, if required, as four separate units, each with a capacity of 5,000 barrels of grain daily, the object being to provide the utmost flexibility in meeting manufacturing requirements. It will be possible to distil continuously four different types of whiskies or spirits at the same time; as for example, "Canadian Club," Rye and Bourbon Whiskies and Grain Spirits.

In the meantime a lease has been taken on a building at Peoria in which temporary distilling equipment has been installed. This plant will have an ultimate capacity of from 1,500 to 2,000 bushels of grain per day, and it is the intention immediately to commence, under U. S. Government permit, the manufacture therein of Rye and Bourbon whiskies for medicinal purposes, until the new distillery now in course of erection has been completed. Hiram Walker's London Dry Gin is already being distilled at Peoria, under Government permit, in order to meet the present demand for gin for medicinal purposes, it is stated by Mr. Hume.

Aided by Customs Reduction

With reference to business in Canada, Mr. Hume states that the volume of domestic sales has been naturally very much below that enjoyed in former years when more prosperous conditions prevailed. Some improvement, however, is making itself felt and he states that the Canadian public is exhibiting a more pronounced preference for domestic spirits in place of imported.

During 1933 the Canadian excise duty on spirits was reduced from $9 to $7 per proof gallon. The customs tariff (British preference) was also reduced by $2 per proof gallon, to the present figure of $8. The Provincial Liquor Commissions accordingly had reduced retail prices to the public to correspond.

Retail Shoe Prices Already Higher

The general increase in retail prices of footwear, predicted in The Financial Post of October 21, has started, a study of retailers' windows reveals. A large Toronto retailer handling, among others, a standard line formerly retailing at $5, has already increased his price to $5.50. Other retailers expect to raise prices soon.

A department store shoe buyer told The Financial Post that in the cheaper lines, prices would be raised 50 to 75 cents a pair, as soon as present stocks were depleted. A slightly different policy would be followed in dearer lines, he said. In these lines there are usually one or two shapes which are leaders and for which the retailer pays as much as 75 cents extra a pair. These leaders will be increased in price about $1 a pair while the remainder of the line may remain at the prevailing price, or at only a slight increase.

SEE SUPERVISORS FOR YORK, E. YORK

Complications in York County's Guarantee of Debentures

Township of York, Ont., is expected to be placed under a supervisory board at an early date. The township council decided unanimously to apply for supervisors to the Ontario Municipal Board early this week.

Since York township has taken this step, it is thought that East York township may follow suit. No action has yet been taken, however, in this case. Since East York is a large debtor of York township, the situation is complicated, and a supervisory board for East York is considered in some quarters the only means of untangling matters. Both townships are in default on principal payments on debentures, and East York is understood to have defaulted interest payment on a large block of its bonds held by York township. There is a population of about 100,000 in the two areas, which border Toronto.

Further complications are seen in the fact that the county of York has guaranteed some debentures issued by York township. Some bondholders are believed to have considered action against the county to collect amounts unpaid by the township. The situation will grow even more complex, The Financial Post is informed, because of the various rates payable between the different jurisdictions.

Authoritative opinion has been expressed that action to recover unpaid amounts would have to be taken first against the issuer of debentures, and then against the guarantor. And then there would probably be difficulty in collecting, it is thought, because there is said to be little or nothing to attach. Said one creditor: "Let some of those who talk action go to court and find out how good the security is behind some of our municipal bonds."

MUCH DEPENDENT ON WHEAT PRICES

Importers' Share in London Agreement Hangs on Increase

The added significance of current trends in the wheat market, in the light of the wheat agreement made at London, is stressed by the Canadian Bank of Commerce in an exhaustive survey of the world wheat situation, contained in its current letter. The letter recalls that the importers' part of the London agreement hangs on there being a sustained and marked improvement in price of wheat.

The survey concludes:

"The course of wheat prices during the present season has taken on a new importance as the fulfilment of the importers' part of the London Agreement hangs upon a sustained and marked improvement in price. A major crop disaster in the Southern Hemisphere might lift prices to the requisite level, but at the time of writing growing conditions are fair. Conditions arising out of international political or economic developments might have the same effect, but might also mean the complete rejection of the agreement.

"The chief considerations are that (1) in spite of the decline in production, the total supply is more than ample, and (2) the distribution of stocks is such that importers have an advantage over exporters in dictating terms. If, however, the depression has passed its nadir consumption should improve as the result of increased purchasing power, and under such circumstances the outlook would be more encouraging."

Wheat Exports Decline But Prices Gain on '32

Canada's wheat exports in October totalled 23,305,510 bushels valued at $15,841,182 compared with 40,192,415 at $21,471,209 in October, 1932, and 18,925,303 at $10,770,981 in October, 1931. The average export price last month was 68 cents per bushel compared with 53.4 cents a year ago and 56.9 cents two years ago.

During the seven months of the present fiscal year the export of wheat was 110,922,097 bushels at $76,120,222 as against 143,890,437 at $82,388,799 in 1932 and 112,216,552 at $66,623,936 in 1931. The average price during the past seven months was 68.6 cents compared with 57.3 a year ago and 59.4 two years ago.

RUBBER BELTING

New guaranteed—6" 4 ply at 18c per foot, 5" 4 ply at 15c, 4" 4 ply at 12c, 3" 4 ply at 9c.
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Godfrey Realty Corp. Special Meet Adjourned

From Our Own Correspondent

MONTREAL.—Owing to failure to secure a quorum the meeting of the first mortgage bondholders of Godfrey Realty Corp. has been adjourned until November 20 next. The company, which owns an office building in the uptown area of Montreal, has under consideration a plan of reorganization following upon its inability to meet obligations in respect to the funded debt.

McColl Frontenac Oil Lowers Conversion Price

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. has reduced the maximum price on the common shares of the company in connection with the conversion privilege carried by the bonds of the company to $46.37 per share from the original price of $50. This action conforms with the requirements of the trust deed following any change in the company's issued capital. An additional 50,000 common shares of the company were recently sold, bringing the issue amount to 550,000 shares.

Canadian Wheat in store on November 3 totalled 250,968,013 bushels compared with 249,007,817 the week before and 242,302,950 a year ago. The difference between the 1933 visible supplies and those of the same date of 1932 is now only a little over 8 million bushels.

HON. J. T. M. ANDERSON
Premier of Saskatchewan

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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France Favors Canadian Products In Many Lines, But Duties High

French Millers are Our Best Friends but Cannot Be Expected to Fight for Us Unaided

By J. K. ROSS-DUGGAN, Editor, "Canadian Trade Abroad."

It is said you may sit for an hour in Paris on the terrace of the Café de la Paix and see half the world go by. So it is that many Canadians have experienced the charm and delight of that beautiful city. But more important is the keen, practical French mind, which has few illusions regarding finance, national defense or international commerce.

The French people are very well disposed toward Canada and everything Canadian.

Canada's Centre in Paris

Hotel Scribe is the Canadian social centre in Paris. This hotel is owned by the Canadian Government through the Canadian National Railways. Handy are branches of Canadian banks and the office of the Canadian Government Trade Commissioner in France, where all Canadian business men may be assured of a cordial welcome and efficient co-operation from Col. Herculé Barré and Maurice Belanger.

Wheat is the principal Canadian export to France. Note the following figures:—

French Wheat Imports

	From Can. (Bushels)	From All Cntrs. (Bushels)
1927	12,000,000	79,600,000
1928	10,300,000	37,400,000
1929	16,600,000	51,800,000
1930	9,900,000	38,000,000
1931	31,600,000	86,000,000
1932	24,600,000	77,000,000

Despite the fact that France has greatly increased her wheat acreage of recent years and now has actually a surplus for export, the French millers consider it advisable to import certain minimum quantities of Manitoba-type wheat in order to maintain their grades.

Favored by Millers

Canadian wheat is at present favored by French millers, although they have other sources of supply. It is, therefore, necessary for Canada to keep on friendly terms with France and maintain cordial relations. Canada possesses valuable allies in the French millers but we cannot always expect them to be fighting our battles without co-operation.

The history of our salmon exports to France tells of a market which was lost through neglect and indifference, coupled with an unwillingness to grade our salmon and meet the wide-awake marketing methods of our competitors, principally from Japan.

New Treaty Now

A further factor operated in 1932 to reduce imports of Canadian salmon to a minimum, namely, the abrogation of the Franco-Canadian treaty, which became effective on June 17, 1932.

Happily a new treaty has been signed between the two nations, and Canada now gets the same rate and quota as Japan, namely, 84 francs per 100 kilos for the first 74,600 quintals shipped in the 13 months beginning October 1, 1933. The duty on anything over this figure is 300 francs per 100 kilos.

The following figures indicate the decline of French imports of Canadian salmon, as contrasted with the increase of imports of Japanese salmon.

French Salmon Imports

	From Canada (quintals)	From Japan (quintals)
1926	84,000	none
1930	64,000	68,000
1931	57,000	77,000
1932	5,800	94,000

The French are keen sportsmen and sportswomen. In the realm of sporting goods, Canada occupies a pre-eminent position. All the leading sporting goods stores in Paris, including Cochet Sports, Rue de la Pepiniere, sell Canadian rubber tennis shoes.

Henri Cochet, the great French tennis champion, always uses Canadian shoes. They are held in such high regard that even the high duty of over $1 per pair does not prevent them from being favored by a great many French tennis players.

Import Skates and Canoes

Ice hockey in the last few years has made tremendous strides in Paris, due to the construction of a modern, full-size artificial ice rink seating 15,000 people. Canadian hockey skates are practically the only ones used and Canadian hockey sticks are in universal demand.

French manufacturers, assisted by high protective duties, have for many years attempted to imitate Canadian canoes to satisfy the demands of water enthusiasts. But Canadian canoes are still able to hold their place on the market, although sold at a very high price.

Canadian leather gloves are great favorites with the French motorcyclist, whose number is legion. The French fishermen prefer Canadian rubber hip boots.

Exports to France are impeded by the various import quotas on a great number of commodities. In some cases, these quotas are retaliatory. They are supposed to be temporary, but so far there is little indication of any lifting of quotas. In fact, there is some talk that France is to extend her quota system in order to bargain for more favorable trade treaties with other countries.

The most important export from Canada to France is wheat. Under normal conditions there is also an excellent market for such foodstuffs as cereal products, cheese, honey, packaged foods, dry milk and condensed milk.

In manufactured goods we export building board, rubber goods, metals, patent leather, church organs, sporting goods, skates, hockey sticks, canoes and leather gloves.

Canada's Trade With France
Fiscal years ending March 31

	Exports to France	Imports from France
1930	24,423,000	25,157,091
1931	13,285,758	19,004,102
1932	17,954,321	13,570,141
1933	12,730,226	7,712,558

One very happy discovery by the visitor to France is that the postage rate either way between France and Canada is only three cents for the first ounce. This is a great relief after the high postage rates prevailing in other European countries. Many Canadian letters arrive in other foreign countries with too little postage, but in France they often arrive with too much.

Advice to Exporters

In conclusion the very excellent advice of Col. Herculé Barré, Canadian Government Trade Commissioner, as conveyed in his "Points for Exporters to France," should be noted:—

"French importers are very conservative in their methods but once a firm succeeds in obtaining the confidence of the importing concerns good results and lasting relations ensue. Great care must be exercised in filling the first trial orders, as the success or failure of future orders depends greatly upon the impression created thereby.

"A careful study of the various regulations to be complied with when making any shipments to France will avoid delay and save time and money to the French importers."

The Tide of Things

A Department of Independent Comment on Society and Politics

By WILLIAM HENRY MOORE

Self-Sufficiency ou Western Farms

REGINA.—Nearly everybody knows that one swallow does not make a summer, not even half-a dozen, but the coming of swallows is indicative that something important has taken place. And so it is in Western Canada, where people are drinking wheat. For that matter, the rest of us may have done the same thing, without knowing it, but the Western Canadians know what they are doing. When they drink freshly roasted, but unadvertised and undated wheat they are saving money.

Sugar is needed for their beverage and for other culinary purposes. They make sugar as well in the West, not alone out of beets that are sent to the factory, but out of beets that are processed on the farms. Of course, the practice is not general. It is largely confined to several thrifty German settlements. It is not a "refined" sugar, it is coarse but it is sweet, nourishing, palatable and above all, it avoids taxation.

* * *

THESE swallows are simply indicative of the times—a trend that may pass away. It will last until the cash crop revives in price and may linger a while longer. Hard times have brought about a partial revival of domestic industry. Necessity has again shown itself a capable mother of the arts.

Our grandparents had fairly self-sufficient households and it is a good thing some of the grandchildren have remembered their ways of living. The home-cured ham is back again although it never quite lost a place, particularly in the Mennonite settlements. Farmers are again smoking fish and pickling them for winter food. You may talk as you like of the advantage of specialization, but it does seem a bit strange that one should ever have caught fish, sent them hundreds of miles away to be cured and bought them back after they had passed through several profit-taking hands.

The grist mills are working overtime, although farmers quite frequently dodge even their tolls, in Eastern and Western Canada alike, with a whole wheat cereal, or biscuit material, turned out from the chopping machine in the barns. The product bears neither marketing nor handling charges and is wonderfully cheap as well as nutritious. For the wheat grower it is a speck of silver in a black cloud.

* * *

HOWEVER the student of industry finds his real interest in the shift of textiles and mainly in wool. So far only a slight shift has taken place but it is worth watching. The Industrial Revolution began when spindles and looms were moved from the cottage to the factory. In 1933 more wool is being spun in Western homes than ever before. Socks are cheap when knitted from home-spun home-grown wool. Knitted dresses are fashionable on Bloor Street and worn in Virden. The loom is not yet as popular on the Prairies as it is in Quebec. At Ottawa an M.P. from the vicinity of Quebec City boasts that the cloth in his clothes was woven at home, and he is one of the best-dressed members in the House.

* * *

YOU may talk about swallows and summers and tell me that the housewife will go back to the can-opener, and everybody to the stores with the rise in the price of wheat. And then I shall remind you of Canada's new quotas in the world's markets which, assuming a rise in price per bushel, will necessitate idleness on the part of land, machinery and men with corresponding shrinkage of buying power.

Mr. Bennett would not have accepted the quota if he had not thought there was necessity for limited production in the future. And he had the advice of provincial experts.

If wheat growing, either by low prices or low production, is no longer to furnish cash to maintain the old standards of living we might as well concern ourselves with the ways and means of the sustenance of the people. Statistics are lacking but there is no visible evidence that the birth rate is being adjusted to the quota of the cash crop.

* * *

MEN and women and children must live and, if they cannot buy in a specialized market what they need, they must make what they need as best they can. Those who write the "Whither" articles have in the Western situation a prolific field for prophecy. They might do worse than begin with the prospects of a return to domestic industry. The winters are long in Wheatland. Much of its population is only one generation removed from the domestic industry that lingered on in Centural Europe. The step-back need not be to the slow-going hand-crafts. It was Nature's power, water or coal, that took the arts from the cottage to the factory. And now electric wires thread the sideroads and spread out in the villages. Industry may be preparing to retrace its tracks or strike out on a new venture. He is a bold man who says emphatically no.

International Trade In Compressed World

By OWEN D. YOUNG,
Chairman, General Electric Company,
Address at Queen's University Fall Convocation.

In the past twenty years which have been so fateful throughout the world, which have been so destructive of old notions and so productive of new experiments, we have learned much about national frontiers. I am thinking not so much of geographical boundaries, great as their changes have been, as I am about their psychological and economic significance. During the 1920's, I held the conviction firmly that the world was to experience a period of great international co-operation in every field. The League of Nations Locarno, the naval and land disarmament conferences, and the Briand-Kellogg pact, all seemed to me to be instruments of peace, functioning through the co-operation of nations, great and small. And concurrently, or rather consequentially, there seemed to be a great movement for better economic co-operation throughout the world. The International Chamber of Commerce came into existence and attacked with vigor the trade barriers which had grown up through many generations and which barred the way to freer flow of commerce and to the wider exchange of goods and services. The International Bank was established and brought together regularly at its meetings the heads of the great central banks of the principal nations interested in finance. It seemed that one might hope for a universal stabilization of currencies and exchanges. Certainly, business might be expected to flourish everywhere if there were a determination to keep the peace, and if instrumentalities regularly functioning and widely recognized were established as the guardians of the peace.

Thought Peace Certain

Certainly, business might be expected to flourish if currencies throughout the world were sound and exchanges stable, and these in turn were guarded not only by the spirit to maintain them but by machinery adapted to that end. It seemed to me that all these things were the natural and normal concomitants of the great scientific progress which the world had made during the last fifty years, an advance greater than had taken place in all the time before. Because of this advance, one might well conclude that peace was guaranteed affirmatively by a new spirit and new instruments to maintain it, and negatively by the very destructiveness of the weapons which science had put into the hands of man. One might think that international commerce would be stimulated and enlarged by the very compression of the world which science was making. As for distance, the world has become so small that it may be encircled in eight days, not eighty, as in my youth. Prior to that, it took many months and many years. Indeed, not so long ago, this globe could not be encircled by man at all. Then it was very large and distances were very great. Now it is very small and distances are very short.

Earth Much Too Small

The same thing happened, even more strikingly, in the field of communications. It is theoretically possible and now largely practically attained, for a voice speaking anywhere in the world to be heard anywhere in the world instantaneously. What a compression that means of this globe of ours so far as human relationship dependent upon communication is concerned. I recall Marconi once said to me many years ago that his experiments with certain radio waves between England and Canada were handicapped by the short distance when he went westward from London to Montreal, and so in order to make the experiment a success he used directional antennae to send waves eastward from London in order that they might go the long way around the world. This little earth of ours is becoming too small not only for the

(Continued on page 15)

Interest Rates Drop Least in Canada

Fall in Wages of Capital, as of Labour, Lags Behind Decline in Prices

From statistics that are available, it is evident that interest rates in Canada have not declined nearly as sharply as price levels. It is also clear that the general interest rate structure is still higher in Canada than in Great Britain, Australia and South Africa.

One of the most important factors in the current depression is the disequilibrium between various sets of prices. For instance farmers' products have fallen in price to a much greater extent than things farmers buy. Wage rates, the price of labor, haven't dropped as far or as fast as wholesale prices. Rents, the price of occupation, and interest, the price of capital, haven't come down proportionately with prices of goods. Neither have taxes.

It is widely agreed that these discrepancies have contributed greatly to the depression, thus cutting down the bulk sum of wages paid, and the total profits on capital. They have created stagnation of heavy industries, construction, steel, machinery and so on.

Elastic and Rigid Factors Contrasted

In depressions such as the present, it is the rapid adjustment of elastic factors in our economy, contrasted with failure of more rigid factors to change, which makes the problem. Thus, prices have declined rapidly, but wages, interest, rent and taxes, more rigid factors, have not. The problem, therefore, is whether to adjust wages, interest, and other rigid items downward, a deflationary policy, or to try to raise prices, a reflationary policy.

A middle course, whereby prices might be raised somewhat and rigid factors adjusted downward has been suggested by some as the road by which prosperity will probably come. Sir Arthur Salter is one of the accredited economists who believes that the price structure should be moved upward and the debt, interest and wage structure should be moved down. In Canada our control over rigid factors like interest rates, wages, debts and so on is better than our control over prices. It is, therefore, worth considering whether we ought not to take more active steps to adjust such things as debts, interest, wages, rents and taxes.

As for wage rates, always one of the important rigid factors in depressions like this one, advanced unionization make them even more rigid. Nevertheless they must be dealt with, if some more or less permanent deflation of costs is to be carried out to match the decline of prices. Interest rates, the wages of capital, are in approximately the same position, if Canadian business is going to adjust itself to lower price levels and if deflation is going to be carried to its conclusion.

Deflation or Reflation

But why deflation? A rise of prices is also desirable. Lower interest rates may help to bring it about.

At the Empire economic conference, Ottawa, the committee on monetary and financial questions reported:

> "A rise throughout the world in the general levels of wholesale prices is in the highest degree desirable. The evil of falling prices must be attacked by government and individual action in all its causes whether political, economic, financial or monetary. . . . .
>
> "In the monetary sphere the primary line of action toward a rise in prices should be the creation and the maintenance, within the limits of sound finance, of such conditions as will assist in enterprise and trade. Among these conditions are low rates of interest and an abundance of short-term money."

Opinion of Experts

And the committee of experts who drew up the agenda for the recent world economic conference at London stated:

> "The unprecedented fall of commodity prices in recent years has caused a growing disequilibrium between costs and prices, has immensely increased the real burden of all debts and fixed charges, has made business more and more unprofitable, and has resulted in a continuous and disastrous increase of unemployment throughout the world. Some increase in the level of world prices is highly desirable and would be the first sign of world recovery. One of the methods that should be considered is the continuation and development, where monetary conditions permit, of a general policy of easy money designed to promote healthy expansion of business."

The point is that a rise in prices is desirable. But deflation of some less elastic factors is also necessary, unless we are to suppose that price levels can be restored to those of several years ago. The difficulties encountered in the Roosevelt price-raising programme in the United States gives ample proof of the wisdom of taking a middle course; adjusting rigid factors of cost, including interest rates, in the hope that this may bring higher prices and a new equilibrium.

Disequilibrium in Canada Illustrated

Just what the disequilibrium between rigid cost items and prices has been in Canada is shown by the record of the Dominion Bureau of Statistics. The combined indices of construction costs (including wages) and long term interest rates dropped only 7.15 per cent between 1926 and last August, whereas the combined indices of retail and wholesale prices fell 26.0 per cent.

Professor Gilbert E. Jackson of the University of Toronto has made statistical studies which show the disequilibrium to be less marked than that indicated in the foregoing. His studies indicate that wholesale prices have come down about 30 per cent, consumers' prices about 22 per cent, and construction costs, including wages and interest, about 17 per cent during the depression.

Now interest rates are one of the chief factors of cost in construction. And heavy industries, construction, steel, etc., are among the largest labor users. So it is contended that scaling down interest rates would tend to encourage new works and increase employment. There is also the advantage that government budgets could be more easily balanced if costs of funded debt were reduced. And the tax and debt burdens could be relieved, if governments did not start to overspend because of the low money rates. Reduction of wage rates would also be part of a deflation policy, but it is not within the scope of these articles to discuss this question.

Comparative Empire Interest Rates

Budget-balancing in Great Britain and Australia was carried out chiefly with the help of reduced interest rates. South African interest rates have also come down in the last year. Despite the Dominion Government's agreement with other Empire nations that money rates should be cheapened, comparison shows that Canadian rates are higher:

Comparative Interest Rates in Great Britain and Larg.r Dominions

	Canada %	Australia %	So. Africa %	Gt. Britain %
*Savings deposits	2½	2	2	1½
Commercial loans	5½-7	†5½	‡5½	4½
Government bonds	4.4	3¾	3¾	3¼
Central bank rate	...	2½	3½	2

*Short term rates.
†Maximum to producers of primary products.
‡Approximate.

It is also contended that mortgage rates in Canada are higher than in these other important sections of the Empire. Undoubtedly it would be advantageous to new development and enterprise if mortgage rates could be brought into line with deflation of other factors in our economy. There are, of course, constitutional and contractual obstacles to reduction of interest on government and municipal securities, private debts and mortgages. But they are not insuperable. Corporation bonds are callable in most cases, and can, therefore, be refunded at lower rates.

That there is agreement on the need for revival of capital goods industries to lift the depression is shown in "Monetary Policy and the Depression," a work of the Royal Institute of International Affairs. The Institute's committee found that the three leading schools of economists agreed: (1) That the fundamental need for revival is to secure increased activity in the investment industries; (2) As to the desirability of cheap money as contributing to that end. Recovery cannot be soundly constructed unless it is accompanied by a restoration of activity in such trades as building and machinery, for which new investment creates a demand, says the Institute committee.

Danger of Creating New Boom

At the same time it would be dangerous if artificially favorable investment conditions were created which might cause another investment boom followed by another period of depression such as the present. Nevertheless it is agreed that it is through new enterprise that revival should come. While it is admitted that cheap money is not the only answer, the need to find good borrowers being equally important, the argument so often heard from some Canadian bankers that cheap money makes very little difference is scorned by bankers and economists of the Institute. They say the significant fact is that rates ought to be low to tempt good borrowers to seize any opportunity to borrow at what appears a favorable moment.

It would be unfair to creditors, if it were contended that interest rates in Canada have not been brought down. They have. But the contention of many shrewd observers, some of them large creditors, is that they have not come down enough. Four large Canadian life insurance companies earned only 5.35 per cent on their mean invested assets in 1932, compared with 5.88 per cent in 1931 and 6.24 per cent in 1929 and 1926, The Financial Post finds. The current rate would be even lower, if allowance were made for write-offs on capital account when the insurance companies calculate these rates. Even without this deduction, the reduction since 1929 is 14.3 per cent in the rate earned. This reduction, however, is largely due to the workings of the slow process of compromise between debtors and creditors.

Losses Already Taken

It is estimated that some insurance companies have lost income of about one-half per cent on their corporation securities through defaults and compromises in the last three years. And on mortgages the cut is placed at about one per cent. Yet solvent debtors and mortgagors are worse off in Canada today than they were three years ago. They are bearing a greater burden, with prices and incomes reduced, and paying heavier taxes in proportion to income. Thus there appears to be weight in the argument that the debtors who have been able to keep solvent are bearing the brunt of the burden.

A representative of a large group of creditors recently pointed out to The Financial Post that the trouble with mortgage financing is that there is no money for loans because mortgagees fear the tax burden and moratorium laws. They are afraid that the debtor will be unable to pay taxes, and leave them holding a lien subject to accumulated tax arrears. His argument was that heavy taxes furnish the real burden.

There is widespread agreement outside governmental circles that waste abounds in nearly all our bureaucratic bodies. Whether it is possible to eliminate this completely under democracy is extremely doubtful. Nevertheless, reductions in taxes could be made more easily if interest, one of the substantial items in governmental costs could be reduced. The cost of government in Canada has been estimated at one-third of the entire national income. And probably one-third of the cost of government is interest on debts. So lower interest could contribute to lower taxes, although much governmental paring of expenditures can and must also be done.

What Interest Cut Might Do

A lowering of the interest rate structure in Canada would tend to accomplish two things. First, relief for overburdened debtors and taxpayers; second, encouragement of new enterprise. Both of these would be steps towards recovery on the basis of approximately the existing price structure, or one only slightly higher. It is possible, and even probable, that recovery can be built on a new price, debt and interest relationship. Whether it would be better to do this than to try radical price-raising experiments only time can tell for certain. But from the difficulties, and even grave dangers, which theoretical price-raising and inflationary policies have encountered in the United States, there is much to be said for plans to adjust the debt and interest structure in Canada rather than to tinker with prices.

The important considerations are that scaling down of principal and interest must ultimately be borne by the tens of thousands of small and thrifty Canadian creditors, if it develops; and that many large institutions representing these small creditors realize the difficulties of debtors and are gradually working towards adjustment of excessive debts. It is essential that the financial intermediaries between debtors and creditors, such as banks and insurance and loan companies, be protected, if and when the wages of Canadian capital are reduced.

Ottawa Seethes with Controversy At Changes in British Tariff

Ruling on Cotton Textiles is First Downward Tariff Revision Since Bennett Assumed Office

From Our Own Correspondent

OTTAWA. — Two decisions last week affecting the British preferential tariff have evoked surprise and controversy not only at Ottawa but among industrialists and now stand out clearly as the most important changes in fiscal policy since September, 1931, when Britain abandoned the gold standard.

The first decision was given by the Tariff Board, functioning as the Board of Customs Appeal. The second decision was made by the Government and in the view of high officials of the Department of National Revenue constitutes the first definite downward revision of the tariff to be made by the Bennett ministry since it assumed office in midsummer 1930.

Significance Not Yet Grasped

For the reason that the Tariff Board's decision is the subject of acute controversy and already has resulted in a two-phase effort to revoke it, while the Government's decision concerns tariff classifications of a technical nature, the significance of both has not as yet been grasped by the public.

The Tariff Board, in a word, has ruled that all arbitrary valuations under the British preference are null and void—which, in principle, destroys some 12 valuations and vitally affects Canadian manufacturers of jute twines, wire rope, hats, stockinette, alloys and a substantial range of textiles. The Government by a reclassification of high quality cotton goods has made a wide range of cotton broadcloth shirtings, etc., duty free instead of dutiable to the extent (considering both ad valorem and specific duties) of thirty per cent and higher.

Comes as Bombshell

The decision of the Tariff Board has come as a bombshell to the officials of the National Revenue Department as well as to several cabinet ministers. It is no overstatement to say that the decision is deeply resented, is regarded as unfair and unjustifiable except, perhaps, on a purely legalistic reading of the law. To appreciate what has happened a brief statement of the facts is necessary.

Toward the close of 1931, the Bennett Government authorized the Minister of National Revenue to impose arbitrary valuations on about a dozen articles imported from Britain. Many arbitrary valuations were imposed, and still are in force, on foreign goods, but only about a dozen valuations were applied to British goods. Among these arbitrary valuations was one declaring a special value on jute twine. In framing this order, the National Revenue Department restricted it to the exact kinds of twine which, normally, are imported from Britain.

Discussed at Parley

These dozen orders were in effect when the Imperial Economic Conference met at Ottawa. The British delegates urged the Bennett Government to withdraw them, but the Bennett Government explained that they were necessary and succeeded in overcoming the objections of Rt. Hon. Stanley Baldwin and his colleagues. The valuations, certainly, were not an obstacle to the negotiation of the Ottawa treaties in which the only reference was an undertaking on the part of Ottawa to repeal them as soon as general conditions would permit.

The treaties were ratified at the session of Parliament a year ago and at the same time the Government brought down an amendment to the Customs Act. This amendment repealed section 43 — under which arbitrary valuations are imposed—and enacted a new section which authorized the Government to impose valuations only upon goods entering under the intermediate and general tariffs. By this amendment, the Government denied itself power to impose valuations on British goods, but it was never the intention of the ministry to impair the legal soundness of the dozen valuations then in effect. When questioned in this regard, the Government said that nothing in the amendment would invalidate existing valuations, though the Government would be powerless to impose additional ones in the future.

Twine Makers Appeal Ruling

Some time after the enactment of this amendment, the jute twine manufacturers of Britain made slight changes in their twines. These changes while relatively unimportant to consumers, were sufficient to evade the original twine valuations which had been imposed on the exact type of twine being imported.

Our twine manufacturers protested to Ottawa and after a full review of the facts the National Revenue Department concluded that the British manufacturers were merely evading the valuation. To prevent this they amended the valuation order (last May) applying it to all kinds of jute twine.

This was the position when Thomas Bonar and Co., of Montreal, twine importers, appealed last week to the Tariff Board. The appeal claimed that the National Revenue Department lacked legal authority to amend the jute twine valuation after the legislation of Parliament; also that this legislation had destroyed all arbitrary values imposed on goods entering Canada under the preferential tariff.

Dual Function of Tariff Board

The Tariff Commission functions as two separate entities. As a Tariff Board it is charged with the interpretation of the Ottawa treaties and, in a similar capacity, it must enquire into and report upon any tariff matter referred to it by the Minister of Finance. But in addition, the Tariff Commission Act vested in the Commission all the powers and responsibilities of the old Customs Appeal Board. This Board was the apex of customs administration. Any person could appeal from a decision of the customs officials to the board.

The old Customs Appeal Board was composed of the high officials of the National Revenue Department and it always was thought incongruous that the people who made the original decision should sit in judgment upon themselves. Hence the change. The purpose was to create an appeal court entirely separate from the department administering the tariff.

Customs Judgments Binding

There is this additional difference. The Tariff Commission, functioning as such, makes reports to the Government, but lacks authority to give effect to its findings. But the Commission functioning as the old Customs Appeal Board has power to issue judgments which are binding upon the department.

It was as the Customs Appeal Board that the Commission dealt with the jute twine appeal. After hearing argument on both sides, Chairman G. H. Sedgwick granted the appeal on both counts. He quashed the revised twine valuation of last spring and ruled that because of the amendment to the Customs Act last session all arbitrary valuations imposed upon goods entering under the preferential tariff were null and void. His decision is officially reported as follows:

> "In the matter of the appeal by Thomas Bonar and Co., respecting the value for duty purposes of jute twines, the appeal must be allowed, on the ground that it ceased to be in effect upon 23-24 George V, Chapter 7" (the amendment to the Customs Act) "coming into effect, and that Supplement A, dated May 20, 1933" (the revised twine order) "was without jurisdiction and never had any force or effect."

Officials Resent Ruling

The reaction to this judgment has been marked. Officials of the National Revenue Department as well as several members of the cabinet are most resentful. They argue that the arbitrary valuations are essential to Canadian industry, that they had been accepted by the British, that nobody was complaining of them, that the Government never intended to impair them in changing the Customs Act last session. To have these valuations upset on a legal technicality, to be told at this late date that the Government apparently never knew what it was enacting when the Customs Act was amended is simply grotesque. They take the line that Mr. Sedgwick should use more common sense and less law, that he had no business throwing a large sized monkey-wrench into the delicate wheels of tariff administration. And as for the Canadian manufacturers who now stand to lose protection they regard as essential and who are to suffer despite the fact that the majority of the Government and practically all of the departmental officials are behind them—their feelings may readily be imagined.

But this is not all. In principle, Mr. Sedgwick upset all twelve arbitrary valuations in force against Britain. Yet his decision affects jute twines only. Will the department accept the principle and abolish these valuations or will it be necessary for separate appeals to be made to the Tariff Commission in each case?

Appeal Facilities in Doubt

And what of the jute twine case? The Tariff Commission Act does not provide any machinery of appeal. But the Customs Act, in referring to the old Customs Appeal Board, does set out that at any time within 60 days of a decision any interested party may lodge an appeal with the Governor-in-Council. The National Revenue Department declares that the Customs Act applies in the present case and that an appeal is in order. The Justice Department is not so sure and reports that it is a matter of controversy.

Canadian producers of jute twine, according to information here, have taken two steps. They have lodged an appeal with the Governor-in-Council and they have appealed to the Tariff Commission for a rehearing of the case.

The latter appeal has caused much searching of statutes. Nothing in either the Tariff Commission Act or the Customs Act would appear to sanction the reopening of a case after judgment has been delivered. It looks as if the appeal for a rehearing must fail. As to the appeal to the Governor-in-Council, the course of future events is uncertain.

Cabinet Action Unlikely

In all probability the Justice Department will rule the appeal is in order—although there is no record of such an appeal being made in the past. But it is very doubtful if the cabinet will reopen the case. To grant leave to appeal would create a precedent of far-reaching consequence. If the cabinet is prepared to hear the jute twine case, the ministers must also be prepared to hear other appeals. The cabinet is overworked as it is and to assume the responsibility of going into every dispute in which the Commission's decision is controversial would be the negation of common sense. It is believed that the cabinet is well aware of the importance of this decision and it is believed that leave of appeal will be refused.

This will not show lack of sympathy with the jute twine producers but it will indicate that the Government does not propose to become enmeshed in the endless intricacies of tariff enforcement. If the Government wants to take a hand in the dispute, and there are ministers who do, this can be done by legislation at the next session of Parliament. A statute restoring the arbitrary valuations would be the proper course of procedure.

Ruling in Abeyance

Meantime, the National Revenue Department is almost certain to decide that the Commission's judgment must be held in abeyance until the appeal is decided. And since the period in which an appeal may be made is 60 days, it is thought unlikely that the Government will reach a decision until the time has expired. Thus the arbitrary valuations seem likely to remain in force until early in January.

Over in Great Britain the Sedgwick decision has been received with enthusiasm. British repre-

(Continued on page 15)

War on Waste

The Manitoba Farm Loans Association has lost $1,256,381 of the taxpayers' money up to April 30, 1932, according to the latest available public accounts of the province. In addition to this loss, it carried among its "assets" $1,699,762 in real estate, $1,474,516 in arrears on mortgagors' current payments and $181,028 in arrears on agreements of sale.

Of the latter two items, part will probably evolve into real estate before this waste of taxpayers' funds is finished. Then real estate will probably have to be written down before the sad tale is finished. Whether it will be possible to collect in full the $5,484,087 of mortgagors' principal not yet due is also doubtful.

Thus the final history of this governmental waste will probably mean a greater loss to the citizens of Manitoba than the deplorable loss of trust funds through defalcations of a misguided Winnipeg barrister which received such wide publicity throughout Canada. The reason that governmental loan associations are sure to waste the taxpayers' money is that borrowings are made from such bodies usually because other lenders refuse to make certain loans. Thus the government body is sure to get bad loans.

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Wheat Prices at New Low Seen Out of Line With Facts

Strong intimation that the price of wheat at Liverpool is considerably out of line with the present statistical position of wheat and the general condition of world business, is contained in the October wheat review of the Searle Grain Co. of Winnipeg.

The review points out that the price of wheat (Liverpool future) on world markets in gold (43½ cents) is lower today than it was in March and December last — lower in fact, than has ever been previously recorded. This in spite of the fact that there has been an admitted decrease in the world's wheat crops variously estimated at between 200 and 350 million bushels, and in spite of a detailed statement by the League of Nations, that substantial recovery from the depression has taken place the world over.

The price of wheat in sterling at Liverpool, it is pointed out, is practically the same as in March and December when there was a greater surplus of world wheat and world conditions were much less gloomy. At Winnipeg, wheat prices are approximately where they were a month ago having decreased and recovered five cents a bushel, corresponding exactly with the decrease and recovery at Liverpool both in sterling and gold.

Bullish and bearish factors during the month therefore tended to cancel one another out, with prices in the first half of the month reacting to the bearish influences which were later offset by Germany's sudden withdrawal from the Disarmament Conference. This increased the fear of war and brought about a quick rise of five cents a bushel at Winnipeg and Liverpool.

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Wheat

From Our Grain Correspondent

Wheat Buyers on Holiday

UNITED STATES fiscal policy is for the moment dominating the grain market situation. Wheat export sales have almost completely dried up during the past few days, with exporters nervous about making offers, and buyers abroad reluctant to accept them until the exchange situation becomes clearer. On the continent, especially where wheat is bought on the basis of gold currencies there is a feeling that the situation may result in still lower prices for wheat.

British millers are holding off until the southern hemisphere crops are further developed. With Australian crops improving there was a feeling that Australia might have to sell at lower prices than Canada, with the current glut of stocks more pronounced in soft than in hard wheat. Latest reports suggest deterioration.

* * *

Vancouver Most Affected

WORLD shipments last week were only $9,300,000 bushels, a drop of a million from the previous week. North America shipped 4,100,000. Vancouver business is even duller than that from Atlantic ports, the longer route to Europe imposing additional hazards on exchange account.

From Chicago come reports that traders are disturbed over the failure of grain prices to respond to the stimulation of declining value of the dollar, and to the Government programme, and show an inclination to withdraw from the market until the money situation is clarified.

* * *

Those Subsidized U. S. Exports

FROM Seattle comes word that the first sale of subsidized wheat from the North Pacific to China has taken place, apparently in competition with the Argentine and Australia, both of which have completed some wheat sales there. Previous information from China had been to the effect that native crops had been so good as to cut down the prospects for imports this year, but news of buying from all three sources at this date, not very far advanced in the season, suggests that perhaps business may be better than had been expected. Competition from the United States subsidized wheat may make the price basis lower than it otherwise would have been, and that in turn may react on offerings of Argentine and Australian wheat in Europe.

Part of the plan for the North Pacific had involved the manufacture of flour in mills of the district for export to China. That has struck a snag, both in the Chinese duty on flour, which makes it less costly to subsidize exports of flour than those of wheat, but also in the reluctance of farmers of the Columbia River Valley to part with their wheat in quantity, feeling that higher prices are going to be forced as soon as the Government plan gets well under way.

* * *

Wheat Consumers Balk

DOWN in Kansas a row is in progress because of instructions recently issued by the management of state institutions, such as asylums and penitentiaries, to the effect that inmates are in future to be fed less on wheat and more on corn and rye products, in order to economize, now that wheat flour has been made more expensive by the imposition of the 30 cents per bushel processing tax on wheat. When that can happen in a state where wheat growing is as important to the people as it is in Saskatchewan, convincing proof is afforded of the effect that high prices for wheat, maintained by heavy duties in importing countries in Europe, must be having on wheat consumption.

Kansas is not the only state where something of the kind has been happening. The State Government in Arkansas has been distributing pamphlets designed to teach housewives how to get along with less wheat flour and to substitute cheaper foodstuffs. All of which is an indication that there may be an important kick-back from consumers against the price raising policies of the United States Government.

More significant to Canada is the hope that consumer objection to high food prices in Europe, of which some important signs have already appeared in France, Italy and Germany, may before long cause some reaction. Without the forcing effect of artificially high prices some decline in European wheat production would seem inevitable.

* * *

U. S. Trades Pessimistic

HOPE for an early rise of international wheat prices has been dispelled, traders believe, by the latest figures on existing wheat surpluses.

In mid-October there were still 535,000,000 bushels internationally available for export, not including about 50,000,000 bushels of soft wheat exports to be expected from France and Germany.

Against this there remained of import requirements originally estimated at 552,000,000, only about 400,000,000 bushels to be supplied. This leaves an international export surplus balance of between 150,000,000 and 200,000,000 bushels.

In addition the new Australian and Argentine crops with an estimated export surplus of 260,000,000 bushels will start to be offered in December. In view of this situation, Chicago believes that efforts to raise wheat prices to American farmers will not be helped by international factors but that they must be organized on a purely domestic basis.

Wheat Exports during the week ending November 3 totalled 3,582,353 bushels compared with 4,037,493 in the previous week. Clearances by ports were as follows, the figures within brackets being those of last year: Week ending Nov. 3: Montreal 1,284,134 (2,574,980), Quebec 836,866 (nil), Vancouver-New Westminster 712,353 (2,369,022), Sorel 485,000 (nil), United States Ports 264,000 (425,000), total 3,582,353 (6,369,002).

Wheat Marketings in the Prairie Provinces for the week ending October 27 declined to 5,323,567 bushels, a little over one half of the amount received during the previous week. A year ago 15,648,568 bushels were reported.

Winnipeg Grain Prices

Week to November 7

Crop year from Aug. 1, 1933 High	Low		Open Nov. 1	High for week	Low for week	Close Nov. 7
		Wheat				
.68⅝	.54⅝	November	.62½	.64¾	.62⅛	.62⅛
.90⅞	.54⅛	December	.62	.64⅛	.61⅝	.61⅞
.95	.59¾	May	.65⅞	.68	.65¼	.65¾
.68¾	.66½	July	..	.68¾	.66½	.66⅝
		Oats				
.30¾	.29½	November	..	.30¾	.29½	.29½
.45⅝	.26	December	.31	.31⅝	.29⅞	.30
.48½	.29½	May	.33½	.34¼	.32⅝	.32½
		Barley				
.35¼	.31¼	November	..	.35¼	.31¼	.33⅞
.56⅞	.29¼	December	.33¾	.35⅝	.32¾	.34
.59¾	.32½	May	.37½	.38½	.36¼	.36¾
		Flax				
1.41	1.36¾	November	...	1.41	1.36¾	1.37
1.68½	1.11	December	1.35	1.42¼	1.34	1.36¾
1.71½	1.16	May	1.40⅞	1.48¼	1.40	1.48
		Rye				
.50½	.38¼	November	..	.41¾	.40⅝	.40⅝
.64½	.37	December	..	.42½	.40¼	.41¼
.68½	.39½	May	.45⅝	.46¾	.43⅝	.44⅝
.47½	.45⅝	July	..	.47½	.45⅝	.45⅝

Grain and Milling in Canada

INTERNAT. MILLING BETTERS POSITION IN ITS FISCAL YEAR

Inventories Increase $3,973,939—Surplus Is Increased

EXCHANGE BETTER

Higher Canadian Dollar Aids Company — Increased Reserves — Bank Loans Higher

In the condensed consolidated financial statement of International Milling Company's operations for the year ended August 31, 1933, earnings and conditions are shown to have been such as to permit the company to increase its surplus during the year from $6,824,059 to $7,450,108 after paying the regular seven per cent and six per cent preferred dividends, $400,000 in common dividends and making further adjustments shown in the following table:

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1933 $	1932 $
Net earnings‡	1,169,095	1,125,576
Less appropriations:		
7% pref. divds.	231,518	242,552
6% pref. divds.	51,625	54,258
Common divds.	400,000	500,000
Pension reserve	100,000	......
Surplus for year	385,953	328,766
Add: Prev. surp.	6,824,060	6,917,478
Red. in exch. res.*	215,263	......
Disc. on pref. stk. ret'd	24,834	23,981
Less:		
Misc. adj. prior yrs.	......	118,681
Prop. of adj. for Can. exch. allocated to surp. account	......	327,485
Bal. car. forward	7,450,108	6,824,059

‡After provision for Federal and Dominion income taxes on profits.

* Reduction in reserve for Can. exchange on net current assets of Can. subsidiaries.

Reserves Up $391,031

Actual net income, after income tax and apparently after depreciation as well, amounted to more than four times preferred dividend requirements. The dividends of $400,000 on the common stock, which is closely held, were also covered twice over by net income before adjustments. Although no reference is made to depreciation write-off during the year in the surplus account, the fact is that maintenance and depreciation reserve increased during the year from $2,008,962 to $2,380,171. Other changes in reserve accounts during the year were as follows: the contingent tax reserve down $4,000 to $209,000; "other contingencies" down from $178,087 to $92,812; insurance funds up from $97,721 to $106,817; and pensions up from nothing to $100,000. The net change of all reserves is up from $2,497,769 to $2,888,800, or a gain of $391,031.

Exchange Improves

In the preceding year the surplus had dropped from $6,917,478 to $6,824,059 as the result of $327,485 transferred as an adjustment to the amount allocated to the surplus account for Canadian exchange. In the year under review the company was able to take back to surplus $215,263 of this amount as the result of the improving relation of the Canadian and United States dollars. The improvement in surplus was more than $300,000 in excess of that adjustment.

The company also retired some preferred stock, 7 per cent cumulative preferred stock dropping from $3,515,800 to $3,430,100 and 6 per cent cumulative preferred stock dropping from $917,800 to $890,600. Common stock remains at $3,500,000.

Inventories Are Up

Working capital shows an increase though the ratio of current assets to current liabilities is somewhat lower:

Working Capital

	1933 $	1932 $
Current assets	13,178,649	9,524,346
Current liabilities	6,284,117	3,613,028
Working capital	6,894,532	5,911,318
Ratio	2.09—1	2.63—1

Contingent Liabilities Up

Principal elements in the increase of current assets are the gain in inventories from $6,209,271 to $10,183,211 and of accounts receivable, less reserve, from $1,531,492 to $1,890,423. To accomplish this increase the company reduced cash from $1,084,351 to $902,258 and sold $578,200 of Dominion of Canada bonds. The further amount needed was obtained by an increase in notes payable from $1,813,927 to $3,980,427 of accounts payable from $971,617 to $1,239,645. For the first time in history appears the item of $326,431 for processing taxes. Accrued taxes are up from $291,799 to $371,336. Reserve for Canadian exchange dropped from $402,132 to $186,869. Total current liabilities increased during the year from a total of $3,613,028 to $6,284,117.

Contingent liabilities increased during the year from $686,646 to $1,037,983.

Urges Rationalization Flour Milling Industry

Miller Advocates Following of British Precedent By Scientific Organization—Many Obsolete Mills Should Be Closed

The Canadian flour milling industry can overcome its troubles by adopting rationalization in somewhat the same way as the British milling industry has done, according to the opinion of a leading executive of a Canadian milling company, expressed to The Financial Post. He further stated that in his opinion the British milling industry is the only one in the world which is on really sound ground and making money as a result of the drastic rationalization programme followed.

For the benefit of Canadians to whom the word "rationalization" is not entirely clear, the meaning, as shown by the Shorter Oxford Dictionary, is here given:

Rationalization — The scientific organization of industry to ensure the minimum waste of labor, the standardization of production and the consequent maintenance of prices at a constant level.

Capacity Too Great

In a nutshell the Canadian milling industry owes its present troubles to the fact that it has sufficient capacity to supply twice the population of Canada. In prosperous years and years of depression since 1922 the flour milling companies of Canada have milled and can continue to mill from 40 to 44 million bushels of wheat to supply Canadian needs alone, but their executives and shareholders cannot forget that while world markets were open from 1923 to 1929 they milled annually from 81 million bushels to 95 million bushels to supply foreign as well as Canadian markets. Then, starting with depression years, the total amount of wheat milled in Canada dropped to 70 million bushels in 1930, amounted to 72 million bushels in 1931 dropped to 66 million bushels in 1932 and to 67 million bushels in the crop year ended July 31, 1933. In other words, a dropping demand from foreign markets has cut their production by one third. In this time there was very little real change in domestic consumption but falling foreign demand brought about reductions in price and thus earnings have been curbed both in domestic and foreign markets.

In trying to assess the chances for recovery for the Canadian flour milling industry, one has to explore three channels: First, what are the chances for recovery in demand from foreign markets? Second, what are the prospects for improving world prices for flour? Third, what are the prospects for improving demand and prices in Canada?

Hit by Foreign Tariffs

In so far as the export market is concerned Canadian mills suffer from the same ills as do the mills of other countries. The drop in the world movement of wheat and flour between exporting and importing areas has been one of the main elements in the slowing down of world trade since 1929. The large surplus of wheat in various parts of the world seeking markets in any form possible has been a continually disturbing factor. The nationalistic policies adopted by European countries which erected huge tariff barriers with the object of making themselves self-supporting in food production have kept Canadian and other wheat out from markets in which they were formerly strong. In Germany and France, for example, prices for wheat have been kept high for the benefit of the farmers of those countries and naturally tariffs had to be made high on flour as well as wheat to achieve this end. In the year 1928-29 the importing countries purchased 42,883,570 barrels of flour but in 1931-32 the same importing countries took only 30,284,200 barrels. The highest point in export to world countries was in the years 1923 to 1925. Every effort has been made since then by the different nations to encourage the milling industry within their own borders. The result has been for the world at large the creation of milling capacity about double what is needed. Until nationalistic policies give way to a more liberal policy toward imports, there appears to be no immediate outlook for improvement to help Canadian mills outside whatever new opportunities may be developed in the British Empire, South America and the Orient.

Natural Advantages Great

Canadian hard wheat possesses desirable milling qualities which make for a steady demand from mills in Great Britain and in every country where tariffs permit import on a good basis. In those countries, where regulations have shut it out, Canadian flour would have an excellent opportunity were it not for the prohibitive customs duties. Canadian mills have purchased and milled more Canadian wheat than flour mills of any other country except for the last crop year when British mills actually used more Canadian wheat than did Canadian mills. The mills in the United Kingdom used a relatively high percentage of Canadian wheat while the drop in the export demand reduced the output of Canadian mills considerably.

Decline Still Continues

Some encouragement was given the industry when in August and September of this year flour exports amounted to 1,032,844 barrels as compared with 715,495 barrels for the same months of 1932. However, decline in wheat prices and general uncertainty as to buying policies and prices have caused a reduction since then.

The total wheat flour production of Canada has dropped from 20,542,400 barrels in the crop year 1923-24 to 14,896,069 barrels in 1932-33. That is because wheat flour exports for 1923-24 amounted to 12,021,424 barrels and for 1932-33 to only 5,370,613 barrels. In the new crop year North American shipments of wheat and wheat flour for the first 11 weeks of August, September and October amounted to 47,928,000 bushels as compared with 69,641,000 bushels in the same period of 1932. Canada's competitors in the Argentine at the same time trebled shipments to 26,415,000 bushels. Australia increased two millions to 18,581,000 bushels, Russia increased slightly to 8,032,000 bushels and others showed a slight decline.

The milling executive referred to does not think that Canada should drop her efforts to keep up her sales in foreign markets. On the contrary he thinks that every effort should be made to hold all present markets and to make up for irremediable losses in markets where politicians have closed the door by drumming up trade in other parts of the world. Something has been accomplished in that way but he also feels that the industry could immensely improve its position by getting together on a rationalization programme designed to assess the value and proper function of every mill in the industry, to close up all obsolete and higher cost plants, to secure the utmost possible results for the money and effort expended and to standardize production still further. That, he contends, will help rather than hinder in foreign markets as well as at home. He thinks that the long odds are with the industry and that in his own day the industry will be feeding as many people in Canada as it fed in the world at large in the palmy days of 1924 and 1929. But there is a great deal of waste because of duplicate effort under present conditions.

Cattle Trade Growing

Canadian cattle received in Great Britain in September numbered 5,264 compared with 451 in September 1932, according to the Dominion Bureau of Statistics. During the past nine months the supply was 35,996 compared with 16,081 in the same period of 1932.

LATEST ESTIMATE OF WHEAT CROP HITS NEW LOW

Reliable Northwest Dealers' Figure Drops to 236,000,000 bu.

From Our Own Correspondent

WINNIPEG. — The lowest estimate yet produced for this year's western wheat crop is that of the Northwest Grain Dealers' Association, just published, which gives a total of 236,180,000 bushels for the three provinces.

The estimate is based on figures furnished by country elevator agents at 94 per cent of the country shipping points, made after the end of the threshing season. Because of the time at which it is produced it is usually accepted as the most authoritative estimate available.

Based on Threshed Acreage

The association's acreage figures are given on the basis of threshed acreage, without inclusion of abandoned fields, and the total is given as 24,055,600 acres, of which 2,528,800 acres are in Manitoba, 13,904,300 in Saskatchewan and 7,622,500 in Alberta.

The total crop of oats is estimated at 159,059,300 bushels, that of barley at 49,060,600, rye 4,527,100, and flax 632,200.

Wheat yields were low in all three provinces, Manitoba's average being calculated at 12.9 bushels, Saskatchewan's at 8.5 and Alberta's at 11.2 bushels per acre, with an average for all three provinces of 9.8 bushels.

With about 135,000,000 bushels of wheat delivered by farmers to date, 75 per cent of the deliverable wheat will shortly have been placed in elevators, leaving only 25 per cent, or about 40 million bushels for delivery during the remainder of the crop year. Such an estimate is probably on the short side, as a certain proportion of the wheat so far delivered represents grain held over on farms from previous seasons. But under any circumstances the wheat yet to be delivered will be a very small burden on the market, as it does not represent much more than will be disappearing week by week, in domestic consumption. Visible supplies, therefore, should commence before long to get steadily less, which should count to some extent toward market improvement.

MANITOBA TAKES STAND AGAINST CUT IN ACREAGE

United Farmers Claim Plan Would Hit Mixed Farming

From Our Own Correspondent

WINNIPEG.—The United Farmers of Manitoba, at their annual convention last week refused to entertain the idea of enforced wheat acreage reduction for Manitoba. Let Alberta and Saskatchewan do it, if it has to be done, was their attitude, but Manitoba has already done her full share in that direction.

Figures were produced at the meeting to show that the wheat acreage of Manitoba had been reduced, by the adoption of a mixed farming programme in this province by nearly a million acres from the area seeded to wheat in 1931. Wheat acreage that year was 3,501,217, and in 1933 only 2,500,000. Moreover, it was pointed out, nearly a million acres of this was seeded to durum wheat, in which there has been neither surplus nor accumulating carryover, the European macaroni trade having absorbed Manitoba's production of this kind of wheat as rapidly as produced.

Would Hit Mixed Farming

But during the period in which this reduction was in progress the wheat acreage of Saskatchewan and Alberta increased very largely. To force a farmer who had gone in for mixed farming to reduce his wheat acreage still further, it was argued, would be to unbalance his farm programme and strike a blow at the theory of mixed farming.

It had been thought in advance that the delegates might be persuaded to go on record in favor of a reduction scheme, especially as the delegates to the Manitoba Pool Elevators convention, only a short time before, had endorsed the idea of establishing a limited quota for the delivery of wheat for each individual farmer.

A resolution was presented to the convention endorsing the London wheat agreement, and in favor of "carrying the quota back to the farm." Several speakers addressed the meeting in favor of it. The resolution was quickly dropped, however

It appears to be the general opinion that no matter what be done in the sister provinces, it would be impossible to get through the Manitoba Legislature any bill restricting the right of Manitoba farmers to seed wheat.

Southern Crops May Produce Wheat Surplus

From Our Own Correspondent

WINNIPEG. — News from the southern hemisphere has been discouraging to bullish enthusiasm in the wheat market. An estimate came through last week from Australia that the crop there might reach 180,000,000 bushels, decidedly more than any previous estimate of production. At the same time a frost scare in the Argentine died down, although reports suggest that some definite damage has been done to the growing crop, the full extent of which cannot be determined until later.

In both countries the possibilities now arise of interesting developments in connection with the London wheat agreement. It had been assumed that Australia was not going to produce more wheat than would be taken up by her export quota. Much earlier, although not within the past two months, that had also seemed to be a possibility for the Argentine.

It looks now as if the government in each country would soon be called on to consider what action it may take in view of the commitments entered into, and what will be done about a threatened wheat surplus. Neither country has either facilities or disposition to take care of any considerable carry-over from one crop year to another.

International Milling Company and Subsidiary Companies

Condensed Consolidated Balance Sheet, as at August 31, 1933

ASSETS

Current Assets:		
Cash		$ 902,257.62
Accounts Receivable, less Reserve		1,890,423.03
Salesmen's Advances		14,768.56
Advances on Grain in Transit, etc.		187,989.34
Inventories of Grain, Flour, Feed, Packages and Supplies		10,183,210.59
Total Current Assets		$13,178,649.14
Prepaid Expenses (Insurance, Taxes, Interest, Supplies, etc.)		192,223.39
Due from Officers and Employees		25,224.15
Memberships (Market Value, $56,291.00)		45,551.00
Investments:		
In Subsidiary Company—Lake & Rail Warehouse & Elevator Corporation: Capital Stock and Current Account	$ 201,579.01	
Unamortized Balance of Improvements to Leased Premises mortgaged to secure Bonds of Lake & Rail Warehouse & Elevator Corporation	1,232,111.87	
First Mortgage 6% Sinking Fund Gold Bonds (at cost plus accrued interest)	240,975.00	
	$1,674,665.88	
Miscellaneous Advances and Investments	200,412.54	
		1,875,078.42
Real Estate, Buildings, Machinery and Equipment, at sound value per appraisal by American Appraisal Company at June 15, 1922, plus subsequent additions at cost		7,946,963.15
Treasury Preferred Stock (at cost)		130,024.77
Total		$23,443,724.02

LIABILITIES

Current Liabilities:		
Notes Payable		$ 3,980,427.00
Accounts Payable		1,239,645.34
Processing Taxes		326,431.33
Other Taxes Accrued (including American and Canadian Income Taxes)		371,335.52
Accrued Commission, Pay Roll, Interest, etc.		109,701.06
Accrued Preferred Stock Dividend (paid September, 1933)		69,707.75
Reserve for Canadian Exchange on Net Current Assets of Canadian Subsidiaries		186,868.68
Total Current Liabilities		$ 6,284,116.68
Reserve Accounts:		
For Maintenance and Depreciation (accumulated since August 31, 1922)	$2,380,170.84	
Contingent Reserve for possible additional Federal Income Tax on profits of Canadian Subsidiaries, payable only on distribution thereof	209,000.00	
For Other Contingencies	92,812.35	
Insurance Funds	106,816.50	
For Pensions	100,000.00	
		2,888,790.69
Capital Stock:		
7% Sinking Fund Cumulative Preferred Stock—34,301 Shares of $100.00 each	$3,430,100.00	
6% Sinking Fund Cumulative Preferred Stock—8,906 Shares of $100.00 each	890,600.00	
Common Stock—100,000 Shares of no par value	2,500,000.00	
		6,820,700.00
Surplus		7,450,107.65
Total		$23,443,724.02

Contingent Liabilities Reported: Drafts on customers discounted and foreign drafts and bills of exchange sold, stated on basis of United States exchange ... $ 1,037,982.60

NOTES: At August 31, 1933, there were obligations in connection with improvements in progress amounting to $11,346.21.

The Company owns the entire issued capital stock of the Lake & Rail Warehouse & Elevator Corporation, lessor of the mill, elevator and warehouse property operated at Buffalo. The rental payable by the Company as lessee is sufficient to meet interest charges and sinking fund requirements in respect of the bonds of the lessor company.

The Canadian assets and liabilities are included in the Balance Sheet on the basis of par, but a reserve has been provided for conversion of the net current assets to the basis of United States exchange at August 31, 1933.

CONDENSED CONSOLIDATED SURPLUS ACCOUNT FOR THE YEAR ENDED AUGUST 31, 1933

Surplus as at August 31, 1932		$6,824,059.02
Add: Net Income for year (after making provision for American and Canadian Taxes on Profits)	$1,169,095.27	
Discount on Preferred Stock Retired	24,833.81	
Reduction during year in Reserve for Canadian Exchange on Net Current Assets of Canadian Subsidiaries	215,263.05	
		1,409,192.13
		$8,233,251.15
Deduct: 7% Preferred Stock Dividend for year ended August 31, 1933	$ 231,518.00	
6% Preferred Stock Dividend for year ended August 31, 1933	51,625.50	
Common Stock Dividend, paid December 28, 1932	400,000.00	
Appropriation for Pension Reserve as at August 31, 1933	100,000.00	
		783,143.50
Surplus as at August 31, 1933		$7,450,107.65

To the Board of Directors, International Milling Company, Minneapolis, Minnesota:

We have examined the accounts of the International Milling Company and its Canadian subsidiaries for the year ended August 31, 1933. In our opinion, based on our examination and information furnished to us, the accompanying Condensed Consolidated Balance Sheet and relative Condensed Consolidated Surplus Account set forth the consolidated financial condition of the foregoing Companies as at August 31, 1933, and the result of the operations for the year.

The sinking fund provisions under the terms of issue of the Preferred Stock have been duly complied with.

Minneapolis, October 26, 1933.

PEAT, MARWICK, MITCHELL & CO.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Spread Your Risks If You are Investor

English Writer on "The Principles of Investment" Says Every Stock Exchange Purchase of Bonds or Stocks Necessarily Speculative — Gives Advice as to How to Proceed

Maintaining that all investment on the stock exchange is speculative investment in greater or lesser degree, E. H. Davenport, M.A., in the first of a series of articles in Investors Chronicle and Money Market Review (London, England), further distinguishes speculative investment from speculation only by the technique of dealing. He defines the two as follows:

"Investment on the stock exchange consists in spreading a number of risks: speculation on the stock exchange consists in taking single risks. I go so far as to say that every purchase of a security on the stock exchange is a speculation unless it is part of a long-term investment scheme. The effect of risk-spreading is to set capital losses against capital gains so that the original capital remains on balance the same. This is the sole aim of real investment, which puts safety of capital before everything, and is the opposite of speculation, which puts capital profits before everything. It is impossible to obtain a large capital profit without taking a big single risk. The bigger the profit desired, the bigger the risk. The more risks are spread the less is the chance of capital profit—and the less the chance of capital loss."

Three Essential Rules

The writer realizes that there can be no scientific averaging of risks as in insurance but he considers the following three rules essential:

(1) The capital invested must be split up into equal divisions, otherwise the law of averages will not work in your favor.

(2) The capital must be divided half into securities bearing a fixed rate of interest and half into ordinary shares earning a variable dividend. This is really equivalent to saying that you cannot distribute your risks by buying securities which are all subject to the same market influences; that is, which are all likely to rise or fall together. The object of this rule is to protect the investor against the trade cycle. Of course, both classes of security sometimes rise together and fall together, but there will be times when fixed interest securities are falling and variable dividend securities are rising, that is when a trade boom is forcing up the rate of interest just as there will be times when variable dividend securities are falling and fixed interest securities are rising, that is when the rate of interest is being forced down by a trade slump. Only a 50/50 distribution of your investment portfolio between fixed interest and variable dividend securities will give you the chance of averaging out the ups and downs caused by the trade cycle over a period of years.

Divide Economic Risks

(3) In each class of security—fixed interest and variable dividend — the economic risks must be distributed as far as possible. This covers the geographical distribution. The old maxim that you must not carry all your eggs in one basket implied different countries for your different baskets, but the old fashioned geographical distribution of securities consisted in investing your money in every country of the world which was not governed at the moment by savages or bolsheviks (though often it turned out that they were). This ignored the question of economic risks. It is absurd to imagine that you have distributed your risks by buying Argentine and Australian stocks just because the two countries are at opposite corners of the earth if the security of both stocks depends upon the prices of primary products. You will find in old investment lists distributed geographically the most complete collection of defaulted foreign bonds. Geographical distribution means nothing unless it is related to the geographical distribution of economic risks.

Keep High-Grades

(4) The capital must be divided among securities of similar quality or grade. It is unwise to mix high grade and low grade. Be on your guard against the so-called investment expert who recommends a speculative stock as a "good mixer" because it gives a higher than the average yield! Invariably a stock recommended for mixing purposes contrives to make a bad mixture out of a reasonably safe list. No wise investor would put in his portfolio rubbish stocks side by side with stocks of good quality.

Real Investment

This English writer points out that even averaging of these risks by distributing of securities does not always result in a profit. That is why he calls all investment on the stock exchange speculative investment. Real investment he defines as the act of laying out money without capital risk and receiving an income from it until it is wanted again. Therefore, real investment consists only in securities in which there is no open market, such for example, as endowment insurance policies, savings certificates, deposits in savings banks, first class real estate mortgages and securities of an approved building society. These are investments where the capital can be withdrawn at par at any time plus interest or, in the case of endowment insurance, at par plus bonuses if the policy participates in profits. This is real investment, he says, adding: "The small investor should be nothing if not a real investor."

Degrees of Risk

While some of the channels suggested by Mr. Davenport are peculiarly English and do not suit present Canadian conditions for the moment, the idea is plain and easily adapted to securities available in Canada. But when the investor goes past these securities, whose value lies in the fact that capital does not suffer and buys securities subject to changes in market value, he gets into a realm where he must consider swings of the trade cycle, as they affect fixed interest and variable dividend securities, amount of short-term money available, changes of governments, strikes, wars, revolutions, natural catastrophes and the occasional criminal manipulations of conscienceless financiers. He must be prepared in the future for events like those which made financial history in the past, such as, in England, the general strike of 1926, the Hatry crash in 1929 and the crisis of the pound in 1931.

Though there is risk in every single purchase on the Stock Exchange, whether one buys outright or on margin, there are degrees of risk. A bond with fixed date of redemption is better than an irredeemable bond as holders of British Consols found out.

Holders of 2½ per cent Consols, perpetual, in 1919 found them worth £60, but in 1920 this "super-safe" British Government bond had fallen to 43⅞. Twelve years later, because of the fall in the long-term rate of interest, Consols were quoted at 78½. Canada 2½ per cent bonds, redeemable at par in 1947, had a different history, quoted at 60 in 1919, a low of 52¼ in 1920, and 89 in 1932. Short-dated British Government or redeemable bonds would be even steadier, and those with maturity dates not more than five years ahead are especially steady. They have some ups and downs with short-term money rates. However, they come closest of speculative investments to real investments for the reasons given.

Enquiries

United Gold Equities

I have been offered shares of United Gold Equities of Canada, Ltd., at $2.32 per share. What is the history of this company? How are dividends earned and distributed? Have these shares any market?

United Gold Equities of Canada, Ltd., is an investment trust of the management type formed to invest in mining securities or securities of companies identified with the mining industry. Half of the trust investments are to be in well-managed producing mines with established dividend records, while the other half of the trust investments will be placed in mining companies and companies identified with the mining industry in various stages of development up to that of proven dividend records. Not more than 15 per cent of the company's capital may be invested in the securities of any one company. While the name of the trust would suggest that investments were to be in gold stocks, investment policy of the company as stated would permit directors to invest in any mining enterprise. This provision is highly desirable as the stock of a mining company producing base metals might offer opportunities when the stock of a company producing gold was selling at a higher price than was warranted.

This investment trust has not been in operation long enough to provide any indication as to what its directors can accomplish in the way of earnings because stock of the company was only issued to the public in June of this year. Dividends are payable only as declared by the directors and would be derived from the dividend-paying investments of the trust. It would seem that investment in the stock of this company could become valuable chiefly through appreciation of investments of the company and that income from the trust shares is a minor consideration. Most of the investments of the trust seem to have a good degree of marketability and the liquidating value of the trust shares can therefore be easily ascertained. While the trust provides for redemption of the standard shares at liquidating value, the experience of the past has been that very few shares of investment trusts have had any high degree of marketability unless those shares were listed on some recognized exchange. The sponsors of the United Gold Equities of Canada have apparently attempted to provide some market for the shares but how this would work out in practice after a period of several years it is impossible to say.

Windsor Bonds

I hold some city of Windsor bonds which are in default. Can you tell me what the city's status is, and what is being done for the bondholders? Will interest be resumed?

Windsor's financial affairs are being administered by a board of supervisors under the Ontario Municipal Act, since the city is in default. There is some prospect that partial payment of interest on the city's bond may be resumed within the next year. It all depends on tax collections which are somewhat better this year than last.

It will probably be some time before Windsor gets away from provincial supervision of finances. Thus, bondholders are assured that a committee representing their interests will try to keep city costs to a minimum.

General economic recovery and greater activity in the motor industry would aid Windsor materially. The financial difficulties have arisen largely from over-expansion and from exploitation of the district by property and construction interests in boom times. If conditions become favorable, there is a chance that Windsor may again be able to carry most of its present debt burden. The city is in better condition than many of its surrounding municipalities, but is far from being satisfactorily situated financially.

Algoma Steel

I would be very glad of any information you can give me respecting the 5 per cent first mortgage gold bonds of the Algoma Steel Corporation. Briefly, is there any chance of the bondholders' saving anything and is there any likelihood of changing circumstances effecting any improvement?

Algoma Steel Corporation has carried a deficit in surplus account for some years. In 1929 and 1930 it was able to reduce this somewhat, but the 1929 reduction was more than offset by provision of additional depreciation and income tax.

The company is a capital goods industry which relies on general economic recovery and recommencement of financing of capital works for recovery. It is, therefore, possible that it will be slower than other industries in regaining lost business, if it remains in operation at all.

Operations in 1932 resulted in heavy losses as in 1931. The large bonded indebtedness, heavy sinking fund requirements and lack of orders made profits practically impossible. A winding up order has been granted, and Chartered Trust & Executor Co., Toronto, is the liquidator. It is impossible to tell yet what bondholders will get out of it. Despite the winding up order, the company is being operated by W. C. Franz, John A. MacPhail and Sir William Stavert, receivers. The order was made on request of a subsidiary company. So operations may continue under receivers for a time at least.

Mortgage Discount

I should like to know the financial position of Mortgage Discount Ltd. Is this company likely to pay a dividend on the preferred shares this year? Is there any market for the stock?

As far as we are aware there is no market for the shares of Mortgage Discount, Ltd., and George R. Griffin, managing director of the company, states that there never has been a market except the bid made by the company itself when it purchased 11,274 shares for cancellation in the year ended November 30, 1932.

The principal business of this company is the loaning of money on the security of second mortgages of which it holds some 1,200 on Toronto property. The loans were made on small working men's homes and the average loan is quite small. No loans on second mortgages have been made in the last few years due to the extremely difficult conditions prevailing in the real estate market. All the companies dealing in second mortgages are having an extremely difficult time and if current conditions continue for another year or two it would seem that the majority of them must discontinue business. Mr. Griffin feels that his company is in a better position than the majority of other companies operating in the same field but sees absolutely no prospect of dividends on the preferred stock for a long time.

The fiscal year of the company ends on November 30 and in the year ended November 30, 1932, the company had a net profit of $29,289 before making provision for losses on real estate held for resale and on investments. Provision for such losses amounted to $95,209. Surplus of the company was fairly well maintained due to the purchase and cancellation of preferred stock to the number of 11,274 shares at $66,039 under book value. The working capital position of the company was far from satisfactory, however, as current assets totalled only $3,821 and current liabilities totalled $150,404. Investments in mortgages and loans amounted to $814,420, accrued and outstanding interest on mortgages and loans totalled $12,616 and real estate held amounted to $151,017. While the book value of these investments has been written down each year, it is very unlikely that the book value as shown represents a true liquidating value due to unsettled state of real estate values. In the year ended November 30, 1931, the company had a net profit for the year of $45,672.

It would appear that the only hope for shareholders is a substantial improvement in general business conditions which would react favorably upon the real estate market and permit the company either to sell or rent real estate that it holds and at the same time collect arrears on mortgages.

Toronto Elevators

I would like information concerning the preferred stock of Toronto Elevators.

Toronto Elevators Ltd. has had an excellent record of earnings since the company was publicly financed in April, 1929. Dividends on the $1,500,000 of 7 per cent preferred stock have been earned and paid regularly since 1929 and in the period to July 31, 1933, the company earned $10 per share of preferred stock. The company has changed its fiscal year to end July 31 and the report covered the 10 months ended July 31, 1933.

While earnings on the common stock have been sufficient to permit the company to pay a dividend, no distribution was made on the common stock until that paid on January 5, 1933, which amounted to $1 per share. The company has just declared another dividend of $1 per share, payable December 1 to shareholders of record November 15. As yet dividends have not been placed on a quarterly basis. Since there are only 25,000 shares of common stock outstanding the company can well afford to pay $1 per share and still increase surplus by a substantial amount. As a result the liquid position of the company has been materially strengthened in each of the past three years.

The two elevators owned and operated by the company in Toronto, and Sarnia, are well located and modern in construction. The management of the company has an excellent record. There is not an active market for the preferred stock since only 15,000 shares are outstanding.

Int. Utilities

I bought A stock of International Utilities outright some years ago. What is the present condition and the future prospect? I can afford to wait if there is hope.

The working out of the public utility code under the National Recovery Act has not apparently awakened any enthusiasm in United States stock markets as yet. It would be wise to wait awhile to see how provisions for wages, hours, services and rates work out in the various districts serviced by International Utilities before coming to a tentative conclusion as to value of the A stock. The company survived the casualties of the depression period and has built up ownership in utilities all over the continent in the hope that returning business prosperity in the next four or five or six years may enable it to make material speculative profits. It has taken in a number of companies which are in difficulties and among them are companies which show considerable promise for a period when business gets in a more stable condition.

The principal difficulty of investors in public utilities is to absorb all the implications of N.R.A. "Is it friend or foe?" they ask in effect. One must watch.

Dominion Gas & Electric

I have sold securities for $5,000, and I have been advised by a bond salesman to buy Dominion Gas & Electric Co. bonds in their place. What is the situation of that company and its bonds?

Dominion Gas & Electric Co. 6½ per cent bonds due 1945 are well protected by earnings to date. The company earned in the year ended July 31, 1933, the sum of $801,847, whereas the yearly requirements under the reorganized basis are only $455,000. Previously fixed charges were $700,000, but under the new plan only $455,000 is required annually.

There was in the spring of 1933 a reorganization of Dominion Gas and Electric by which International Utilities Corp. acquired control. It cancelled $1,000,000 worth of 6½ per cent first lien and collateral trust gold bonds which it owned as a sinking fund for the bonds. This reduced the bonds from $8,000,000 to $7,000,000 and the issue was declared closed.

International Utilities Corp. also surrendered for cancellation $3,000,000 of three year 6 per cent gold notes, which were due on July 1 last.

The plan providing for amendments to the indenture securing the 6½ per cent bond, includes provisions for the release of $4,000,000 first mortgage bonds of subsidiaries, now deposited thereunder, and the substitution therefor of new first mortgage bonds of between $2,000,000 and $3,000,000. The subsidiaries are also to be permitted to issue securities directly to the public instead of being required to pledge them as security for the bonds.

Warrants are attached to the bonds which permit the purchase of common stock. Holders of each $1,000 in Dominion Gas and Electric bonds have the right to buy 15 shares of the new common stock at $7.50 for three years and for $10 for the two succeeding years. On the present basis yield on common is about $1 a share.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Cat Racket

FACED by the threat that her pet cat, companion of her old age, would be destroyed, a Richmond Hill, Ont., woman, aged 70 years, recently paid $10 to kidnappers for the return of her missing "Mitzi."

* * *

Stock Settlement Funds

USING a variation of the time-worn reloading scheme a gang has been operating in the eastern United States on persons holding stock in more or less defunct companies. The stockholder is visited by a member of the gang who sometimes poses as an officer of the company whose stock the prospective victim holds. In some cases the claim is made that the company is to be reorganized and a certified cheque is offered for approximately the par value of the stock held provided that the victim pays a certain sum as commission or a contribution toward reorganization of the company. The cheque given by the victim is invariably good but the supposedly certified cheque given by the racketeer is invariably bad.

In one case the shareholder was asked to pay 14 per cent of the amount collected on stock that he held. It was stated that a court hearing would be held and the victim was later asked if he would accept 75 per cent of the par value of his stock as settlement. This was agreed upon and he was notified that he would shortly receive a certified cheque for $790 but that $98 was due the collection agency as commission. He paid the $98 but the cheque for $790 turned out to be a forgery.

* * *

Using The Gummed Stick

THE brethren of the wire hook and gummed stick fraternity again scored recently as two of them "hooked" bonds valued at $3,000 from a Minneapolis bank.

While these securities were in the safekeeping cage, a stranger appeared at one of the windows and requested an ownership certificate. The clerk offered to secure one from the savings department, but the stranger said he would get it himself. During the noon hour, while some of the employees were at lunch, another stranger appeared at the same window and called out the name of the manager of the department. The clerk who had listed the securities left them on the counter not far from another window and went to wait on this man. He pushed an ownership certificate under the wicket and asked that the meaning of a certain word printed on the certificate be explained to him. He was careful to give the impression of being unfamiliar with the English language and he professed inability to understand the explanations given by the clerk. Thus he managed to hold her attention away from the other window for some time and thereby cleared the way for the purposes of his accomplice.

The loss of the securities was not discovered until later in the day, but there is little doubt that they were filched by a sneak thief armed with a wire hook or gummed stick while his accomplice distracted the clerk's attention. Also, the man who had requested the ownership certificate was probably a "scout."

Bank sneak thieves frequently employ the old telephone ruse to lure a teller or officer away from his cage or desk. By loitering about a bank, a "scout" learns which teller or officer receives securities. After the deliveries are "clocked," an accomplice telephones this custodian and uses any plausible pretext to take him or her away from his desk or cage. The crook sometimes poses as a depositor who has left his safe deposit box open or has left valuable papers on an outside counter. In excited tones, he requests the employee to investigate and, if the latter fails to safeguard under lock and key the securities just received, they may be missing when he returns.

When stealing valuables in this way from a teller's cage, the actual thief is usually assisted by an accomplice who stands behind, obscuring him from view with a newspaper spread open; and both give the impression of waiting for the teller.

Bank employees too often have a feeling of security simply because other employees are nearby, but the dangers in such reliance were illustrated in another case where an officer's secretary was seated at his desk while a sneak thief filched bonds valued at several thousand dollars.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Cobalt Frontenac Mines

Could you supply me with any information in regard to Cobalt-Frontenac Mining Co.? Where is it located? What financial position is it in? Has it done any work on the property? What is its future possibilities?

Cobalt-Frontenac Mining Co. has gone through so many capital transformations since that company was formed that it would not be recognizable today. Without tracing these we can say that the last appearance is Goodrich Gold Mines. The property is located about 40 miles north of Belleville. Shares in Cobalt-Frontenac have no marketable or tangible value. The company has no money and the property never demonstrated it had importance, but has been principally concerned in various promotional schemes during the past 20 years. A shaft has been sunk on the property and a mill of a sort was built many years ago.

Nicola Mines & Metals

I have been solicited several times by salesmen for a Toronto brokerage firm to purchase shares in the Nicola Mines & Metals Co. at 90 cents per share. I value your guidance and before investing would like a report from you on the affairs of the company and its promoters.

Nicola Mines & Metals is a promotion by a New York group which seeks to rehabilitate a gold property south of Kamloops, British Columbia. The former operators of the property went into liquidation because they could not eke out a profit due to various causes. As yet there is nothing to indicate that the present sponsors will have greater success than the predecessors, except that gold is now selling at a higher price and if maintained gives the company considerable advantage.

Shares at 90 cents each are discounting future earnings far in advance of those indicated by the present status of company.

Quebec Con. Gold Mines

A broker is advising me to trade in my 600 shares of Siscoe Gold Mines for shares of Quebec Consolidated Gold Mines at 30 cents each. Before giving it consideration I want your advice as I need the income I am getting from my Siscoe. Will you please tell me what shares of Quebec Consolidated Gold Mines are worth or are selling for?

It is an old dodge of brokers to attempt to switch investors out of dividend-paying stocks into prospects. If you are prepared to lose your entire investment and have no desire for an income and want to speculate that is your own affair. Siscoe has been giving a good account of itself, is well managed and is earning its dividend. The other is a raw prospect and there is no established price for shares in Quebec Consolidated Gold Mines. It is just whatever the promoter cares to ask.

Granada Gold Mines

What is wrong if anything with Granada Gold Mines? The shares have sunk to low levels in the market and I cannot understand this, having regard for the good reports that have appeared in the press.

Granada shares have dropped so much recently because the public is finding out that all the propaganda that was circulated about the company was not entirely fact. Indications are that it is a sick mine. A very intensive programme has been under way in addition to a shaft whose depth objective is 3,000 ft. This earmarks the property as not having responded satisfactorily in the upper levels to development. Having regard for the small amount of production taken this aggressive programme would not be necessary if greater success had been enjoyed. The company has never reported a profit and the fact that officials have been secretive about its affairs does not heighten confidence in the operations.

Malrobic Mines

I notice that there has been some heavy trading in the shares of Malrobic Mines and wondered if there had been some new developments. I have some of the shares purchased at higher prices and would like your advice about increasing my holding if you thought that the property had the making of a mine.

Malrobic Mines was incorporated in 1928 to develop a property in Malartic township, adjacent to the holdings of Canadian Malartic Gold Mines. Operations were suspended late in 1928 but were resumed in midsummer, 1933, with diamond drilling. Montreal interests optioned 500,000 treasury shares to finance further development work which doubtless has some connection with the heavy trading. Andrew Walz, M.E., who submitted a geological summary previous to the campaign of diamond-drilling is preparing plans for further development. At the present juncture there is not sufficient information to brand the property other than prospect and as such it has all the potentialities and holds all the risks of undeveloped mining claims.

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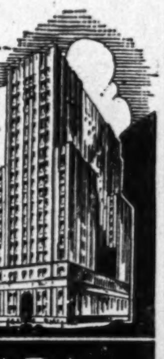
PROVINCE OF ONTARIO 4½% Bonds—due 1 June, 1950	100.00	4.50%
*PROVINCE OF NOVA SCOTIA 4½% Bonds—due 1 November, 1960	99.00	4.51%
CITY OF TORONTO 4½% Debentures—due 1 August, 1953	99.25	4.58%

*Payable in Canada or New York.

Additional suggestions may be found in our November List which will be mailed to you upon request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto



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Bank Chat on Current Topics

Henry Lewis Saves

FOR 78 consecutive years, Henry H. Lewis, of Lynn, Mass., has deposited $3.10 regularly each October 27 with his local savings bank which must constitute some sort of a record. If nothing had been drawn out of his account during the period, and our figures are correct, he would have $2,158 to his credit if interest had been compounded annually at 4 per cent and this credit is probably more than twice his present annual wage as, at the age of 87, he acts as night watchman for an office building. His total deposits for the 78 years would be $241.80.

If Mr. Lewis had decided to invest his meagre principal when he had $100 he might have done so to advantage since his country was in the midst of the extended depression of the 1870's. Had he been successful it is probable that the magic of compound interest would have held little lure to him thereafter. He would have invested his money for a quick turn-over and would probably have had a head-on collision with one of the seven major depressions that have occurred since, not to mention a number of smaller depressions that might have affected his interests just as adversely. As it is he is probably further ahead of the game than he would have been by buying gilt-edged railway bonds in the 1890's or industrial and investment trust stocks in the late 1920's.

Few depositors can make regular deposits for 78 years and live to see the result but any depositor can deposit more than $3.10 per year for a period of years and get the same result. Henry Lewis has built up a comparatively nice little nest egg as a result of sentiment combined with longevity. Persistent thrift would enable most people to do the same thing in less time. Bankers have it within their power to stimulate thrift in their community and, what is more, to guide the thrifty into conservative investments. The power of compound interest when it is correlated with a systematic programme of savings is being stressed throughout the country, notably in Western Canada, by companies selling installment savings certificates secured by first mortgages. The banks have numerous advantages to offer depositors that most other companies cannot offer. Among these advantages are absolute safety and instant liquidity of principal. While these two advantages are generally recognized the power of compound interest is generally lost sight of by depositors and investors. Banks and bankers might well lay even more stress on this point than has been done in the past. After the experience of the last four years the seed they sow should fall on fertile ground.

* * *

C. B. A. Officers Change

THE annual meeting of the Canadian Bankers' Association held on November 9 brings to a close an eventful year in Canadian banking in which the association has been unusually active. The economic conditions that all of the banks have had to face have brought forward many problems and the investigation by the Royal Commission on Banking and Currency headed by Lord Macmillan made necessary the preparation of a complete defense of Canadian banking. The officers of the association, headed by J. A. McLeod can rightfully feel that they have done good work. It has been the custom for the presidency of the association to alternate between Montreal and Toronto every two years so that it is probable that the new president will be a Montreal man. This would mean a change of the association's office to Montreal.

Officers of the Canadian Bankers' Association during the past year have been J. A. McLeod, Bank of Nova Scotia, president; S. H. Logan, Canadian Bank of Commerce, H. B. Henwood, Bank of Toronto, M. W. Wilson. Royal Bank and Jackson Dodds, Bank of Montreal, vice-presidents.

Staff Changes

The Bank of Montreal announces the following staff changes: C. G. DUNNING, assistant superintendent, Saskatchewan district, Regina, Sask., has been appointed assistant superintendent, Alberta district, at Calgary, Alta.

R. S. HINTON, manager at Vegreville, Alta., goes to Wetaskiwin, Alta., as manager.

D. L. PLUMTON, manager at Wainwright, Alta., has been appointed manager at Russell, Man.

C. W. McBRIDE, manager at Russell, Man., is transferred to Wainwright, Alta.

T. A. G. HODGINS, manager at Eganville, Ont., goes to Sawyerville, Que., as manager.

T. G. MORRISSEY, manager at Sawyerville, Que., goes to Eganville, Ont.

Weekly Bank Clearings

	Nov. 2 1933	Change year ago	Oct. 26 1933
	$	%	$
Halifax	1,910,684	—11.9	1,947,101
Saint John	1,590,414	— 9.5	1,530,110
Sherbrooke	441,584	—24.9	516,982
Quebec	3,441,320	—29.8	3,427,624
Montreal	84,907,641	—11.1	77,039,816
Ottawa	3,759,424	—14.6	4,184,654
Peterborough	621,309	+ 1.7	531,310
Toronto	122,730,855	+17.5	109,522,043
Hamilton	3,844,876	+ 1.7	3,613,602
Kitchener	1,019,862	+ 0.4	806,517
Brantford	660,155	—18.5	858,096
London	2,478,824	—12.0	2,632,321
Kingston	545,527	— 6.8	451,087
Chatham	436,396	— 8.5	427,748
Windsor	2,068,550	—10.1	1,925,235
Sarnia	343,053	+ 0.8	329,281
Sudbury	628,754	+14.8	594,017
Ft. William	617,744	+12.6	555,585
Winnipeg	49,969,733	+ 3.9	64,210,207
Brandon	339,041	—23.2	306,776
Regina	4,488,727	—12.4	4,122,408
Saskatoon	1,357,337	—24.6	1,319,764
Moose Jaw	529,423	—26.1	463,784
Pr. Albert	281,614	+ 5.7	246,258
Calgary	5,310,618	—18.4	5,299,869
Medicine Hat	185,380	—29.3	187,496
Lethbridge	367,325	—11.5	332,835
N. W'minster	467,782	— 5.3	407,703
Vancouver	15,446,743	+ 8.0	13,841,384
Victoria	1,460,965	+ 5.4	1,310,170

Current Events in Banking World

Increase in Current Loans Is Largest Since April, 1929

September Bank Statement Reflects Improvement in Business—Municipalities Reduce Loans—Banks Increase Liquid Assets With Call Loans Abroad Much Higher

Further increase in call loans abroad, marked increase in holdings of Government securities and in current loans in Canada and seasonal increase in circulation are the chief features of the statement of the chartered banks as at September 30. Improvement in current loans and in demand deposits give some indication of better business conditions than prevailed in August. Comparing the figures in the bank statement with those of previous months in 1933 it would seem that there is a tendency toward increasing balances held in the United Kingdom and a reduction in balance held in New York.

The total of immediately available liquid resources was substantially increased resuming the trend that was broken in August. Holdings of Government securities are up by $17,277,000 and call loans abroad by $28,557,000. Balances due from foreign banks show decrease of only $2,074,000 as compared with the decrease of $22,996,000 reported for August. The increase of $20,050,000 during September in the total of current loans is the largest increase in this item since April, 1929. Canadian call loans are higher by $4,994,000. Provincial and municipal loans which have been substantially reduced since the early part of the year have been reduced still further with $13,020,000 taken off the municipal total.

The increase in circulation is largely seasonal but is also due to better business conditions. Notes in the hands of the public amount to more than at any time since November, 1931, There is a comparatively small decrease in savings deposits while demand deposits are up by $7,941,000. Cheques on other banks have also shown a decrease, however, and, after allowing for this, the apparent increase in deposits of $7,411,711 is reduced to $3,889,503.

The position of the banks as at September 30, 1933, compared with their position at the August 31, 1933, and September 30, 1932, is shown as follows:

	Sept., 1933	Aug., 1933	Change	Sept., 1932	Change
ASSETS					
Immediately Available Liquid Resources					
	$	$	$	$	$
Specie	48,886,963	49,103,264	— 216,301	55,479,261	— 6,592,298
Dom. notes	127,214,267	132,076,944	— 4,862,677	112,396,111	+ 14,818,156
Gold reserve	20,681,732	20,681,732	.....	23,081,732	— 2,400,000
Foreign banks	85,386,023	87,460,178	— 2,074,155	101,067,730	— 15,681,707
Foreign curr.	19,172,422	21,561,507	— 2,389,085	16,899,296	+ 2,273,626
Govt. secs.	663,157,371	645,879,876	+17,277,495	494,202,066	+168,955,305
Call loans ab'd.	126,022,215	97,465,670	+28,556,545	95,193,231	+ 30,828,984
	1,090,520,993	1,054,229,171	+36,291,822	898,319,427	+192,201,566
Loans and Securities Other Than Those of Canadian Government					
Public secs.	162,141,482	165,079,205	— 2,937,723	152,166,403	+ 9,975,079
Railway secs.	55,690,262	55,161,161	+ 529,101	52,874,237	+ 2,816,025
Can. call loans	110,030,403	105,035,628	+ 4,994,775	114,954,355	— 4,923,952
Current loans	904,822,716	884,771,869	+20,050,847	1,003,044,855	— 98,222,139
Loans abroad	146,908,111	150,633,828	— 3,725,717	158,984,914	— 12,076,803
Prov. loans	17,234,456	19,702,127	— 2,467,671	22,193,954	— 4,959,498
Mun. loans	108,497,738	121,517,701	—12,019,963	116,621,877	— 8,124,139
	1,505,325,168	1,501,901,519	+ 3,423,649	1,620,840,595	—115,515,427
Other Assets					
Non-curr. loans	14,277,970	14,440,210	— 162,240	13,456,511	+ 821,459
Real estate	8,002,391	7,964,914	+ 37,477	7,510,487	+ 491,904
Mortgages	6,266,010	6,298,374	— 32,764	6,284,693	— 18,683
Premises	78,680,072	78,840,319	— 160,247	79,924,670	— 1,244,598
Lets. of credit	47,971,795	46,723,561	+ 1,248,234	48,266,924	— 295,129
Loans to comp.	13,245,903	13,183,520	+ 62,383	13,150,936	+ 94,967
Other assets	1,548,376	1,500,051	+ 48,325	1,490,031	+ 58,345
	169,992,517	168,950,949	+ 1,041,568	170,084,252	— 91,735
Total	2,765,838,678	2,725,081,639	+40,757,039	2,689,244,274	+ 76,594,404
Note cir. dep.	6,493,975	6,487,469	+ 6,506	6,594,208	— 100,233
Int. bank bal.	94,093,986	87,802,489	+ 6,291,497	103,096,700	— 9,002,714
Gross	2,866,426,639	2,819,371,597	+47,055,042	2,798,935,182	+ 67,491,457
LIABILITIES					
To the Public					
Circulation	141,055,653	129,291,890	+11,763,763	133,241,528	+ 7,814,125
Dom. Govt.	72,031,216	40,142,812	+31,888,404	15,898,370	+ 56,132,846
Prov. Govt.	27,474,878	27,407,844	+ 67,034	31,867,029	— 4,392,151
Govt. advances	40,744,000	44,344,000	— 3,600,000	23,000,000	+ 17,744,000
Deposits by Public					
Demand dep.	491,783,798	483,842,674	+ 7,941,124	480,662,806	+ 11,120,992
Savings dep.	1,372,184,120	1,372,713,533	— 529,413	1,359,389,475	+ 12,794,645
Total	1,863,967,918	1,856,556,207	+ 7,411,711	1,840,052,281	+ 23,915,637
Foreign dep.	296,878,318	297,709,537	— 831,219	307,144,396	— 10,266,078
Due to Banks Abroad, Etc.					
United Kingdom	4,845,696	5,487,747	— 642,051	4,848,818	— 3,122
Foreign	30,446,515	33,358,722	— 2,912,207	48,909,942	— 18,463,427
Bills payable	2,164,532	1,905,673	+ 258,859	1,554,600	+ 609,932
Lets. of credit	47,971,795	46,723,561	+ 1,248,234	48,266,924	— 295,129
Other liabs.	2,157,582	2,127,686	+ 29,896	2,165,810	— 8,228
Total public liab.	2,529,738,103	2,485,055,679	+44,682,424	2,456,949,698	+ 72,788,405
Due bet. banks	12,205,531	10,348,208	+ 1,857,323	14,214,283	— 2,008,752
Liability to Shareholders					
Dividends	643,818	2,466,361	— 1,822,543	720,174	— 76,356
Reserve	162,000,000	162,000,000	.....	162,000,000	.....
Capital	144,500,000	144,500,000	.....	144,500,000	.....
Gross	2,849,087,452	2,804,370,248	+44,717,204	2,778,384,155	+ 70,703,297
Credit Index*	54.4%	53.3%	+ 1.1%	60.7%	— 6.3%

* Ratio of current and call loans in Canada to demand and savings deposits in Canada.

IMPERIAL BANK HELD RESPONSIBLE

Laying down the principle that it is the duty of a bank to enquire carefully into a transaction whereby a person holding a power of attorney seeks to withdraw money on his principal's account for himself, Mr. Justice Boyle, Calgary, Alta., recently gave judgment of $11,000 and costs against the Imperial Bank and in favor of Mrs. Mary V. Begley. It was held that if the bank failed to investigate the transaction carefully it may be held responsible for its negligence.

Evidence submitted indicated that J. W. McElroy, holding Mrs. Begley's power of attorney, had drawn cheques on his principal's account to meet his own indebtedness. These cheques were paid by the bank and one cheque for $8,500 was used to pay off Mr. McElroy's indebtedness to the bank. He told the bank that Mrs. Begley was lending him the money. Mr. Justice Boyle stated: "I think the bank has to take the responsibility for its officers. If enquiry had been made and Mrs. Begley had been asked I have no doubt that she would not have authorized the lending of any money."

Saskatchewan Waives Interest on Farm Loans

The Saskatchewan Farm Loan Board will waive interest payments on outstanding farm loans held by resident Saskatchewan farmers for the period from November 1, 1932, to November 1, 1933, it is reported. Waiving of interest payments on farm loans to non-resident farmers will be considered on the merits of the individual cases, it is understood. The Farm Loan Board reached its decision at a meeting held recently just prior to the due date of interest on many of the loans which was November 1.

There will be no rebate of interest charges already made on loans during this period but such sums will be applied as payment of principal and will be deducted from the principal of the loan. Announcement of the plan to waive the interest charges on farm loans was made originally by Premier J. C. M. Anderson on January 5, 1933, and legislative provisions for such a move was made at the last session of the provincial legislature through amendment to the Saskatchewan Farm Loan Act. By this amendment the board was empowered to make such settlement by way of compromise with any of its debtors as it deemed advisable.

Foreign Exchange

THE pound sterling crossed par in New York, and the Canadian dollar hovered on the verge of it, in the week ended Nov. 6. Experts agree that this is due to a stampede from the American dollar made up chiefly of purchases of foreign securities by Americans and short sales by both Europeans and Americans.

With American government agencies purchasing gold at home and abroad, and mass psychology dominating foreign fluctuations, it is conceded that all normal guides and influences are almost useless as gauges of future levels. The outstanding factor may be that the American government has not been able to raise the internal price level appreciably by currency depreciation. Inflation sentiment is still strong in some sections of the United States. There are those who think the United States is being drawn into the inflation whirlpool.

* * *

AS TO price raising, it is worthy of note that in historic inflations, internal prices have not risen as fast as the currency has depreciated. It has taken a long period for prices to adjust themselves to the depreciated currency in most cases. Many of those who have obligations to meet in the United States appear to feel that the dollar is a good speculation at present levels. But it should be remembered that marks and francs were also highly regarded when they started on the downhill path. Imaginative though it may seem, it is not impossible for money of the world's largest creditor nation to decline even further.

Some additional strain on the franc has developed partly through speculation, partly through American purchases of French gold. The French government claims it can withstand withdrawals of up to $500,000,000 gold, and still have ample reserves.

FOREIGN EXCHANGE

New York Funds

	High	Low	Last Year High	Last Year Low
	(Premium)		(Premium)	
	%	%	%	%
Oct. 31	1 5-8	1 3-8	10 7-8	10 1-2
Nov. 1	1 1-2	1 1-16	10 11-16	10 1-16
Nov. 2	7-8	5-16	10 1-4	9 7-8
Nov. 3	1-2	5-16	11 1-16	10 3-8
Nov. 4	3-8	3-16	12 3-16	10 7-8
Nov. 6	1-8	1-64	13 1-4	12

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Oct. 31	4.76	.0590	.0790
Nov. 1	4.79 1-2	.0599 1-2	.0806
Nov. 2	4.83 1-2	.0610 1-2	.0821
Nov. 3	4.84 1-4	.0604	.0813
Nov. 4	4.85 3-4	.0607	.0817
Nov. 6	4.88 3-4	.0603 1-2	.0811

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Oct. 31	4.84 1-2	0.0602	0.0807
Nov. 1	4.85	0.0608	0.0816
Nov. 2	4.86 1-4	0.0611	0.0822 1-2
Nov. 3	4.87 1-2	0.0610	0.0821
Nov. 4	4.88	0.0609 1-2	0.0820
Nov. 6	4.90 1-4	0.0606 1-2	0.0815

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Oct. 31	0.3670	0.2147	0.2969
Nov. 1	0.3699	0.2168	0.2944
Nov. 2	0.3734	0.2184	0.2960
Nov. 3	0.3721	0.2176	0.2978
Nov. 4	0.3722	0.2173	0.2974
Nov. 6	0.3700	0.2168	0.2967

B.C. Now Demands to Know How Far Will Pattullo Go?

Will New Premier Implement Proposal of Non-Interest-Bearing Bonds and What of Public Works Policy?

From Our Own Correspondent

VANCOUVER. — Overwhelming victory of the Liberals in British Columbia is being interpreted here as a staggering blow at the sponsors of freak financial legislation in the person of C.C.F. supporters. But if Premier-elect T. D. Pattullo carries out the pledges contained in his platform, British Columbia will not be without its economic experiments so far as legislation is concerned. During the campaign Mr. Pattullo and his Liberal followers made it quite clear that, if elected, they would endeavor to bring about drastic innovations in financial policy. Whether they are successful in this attempt remains to be seen.

Want Interest Lowered

Announcement of the new government's policy will be eagerly awaited respecting such proposals as non-interest bearing bonds as suggested by Mr. Pattullo at one stage of the campaign. In almost every platform appearance he gave notice that he would make a campaign for the reduction of interest rates. The same programme has been frequently stressed by John Hart, former Liberal minister of finance who would appear to have the inside track for the same office in the Pattullo administration.

Mr. Pattullo has also suggested the formation of an economic council, which would be similar to Roosevelt's "brain trust" to act in an advisory capacity to the premier and his cabinet.

Promised Public Works

"Work and wages" was the chief slogan of the Liberal party. Mr. Pattullo has intimated that he will depend a good deal on federal cooperation. Indeed, it is stated that Mr. Pattullo will endeavor to obtain the support of all the western provinces in a concerted drive on Ottawa for increased financial assistance to the provinces in the subsidizing of public works.

Mr. Pattullo has strongly indicated that the Peace River country must be given access to the coast, which might be interpreted as a suggestion that the Pacific Great Eastern Railway would be extended north from Prince George, if adequate funds are forthcoming for such a project.

The election resulted in the virtual obliteration for the present of the Conservatives as a party in British Columbia.

Vote Down Socialism

While fewer C.C.F. candidates were elected than had been generally expected, the total number of votes polled by that party in all ridings was impressive, especially in view of the fact that this year marked its debut into the B. C. political field. But it may be said without hesitancy that the dominant motive behind the majority of voters was, first, to declare for "a new deal" by overthrowing the weak Tolmie administration and, second, to ensure against the adoption of the radical Socialist measures espoused by the C.C.F.

The Kidd commission, appointed to enquire into the province's financial difficulties, brought down a strong denouncement of the waste and misrule of party politics as practised in B. C. and appealed for an end of "machine" tactics. A few weeks ago there was strong sentiment in favor of non-party government, but the rise of the C.C.F. and the fear of confiscatory legislation brought many ex-Conservatives and former non-party advocates into the Liberal fold at the eleventh hour.

Alberta Motor Clubs Would Change License Year

Motor vehicle licenses in Alberta will date from April 1 instead of January 1 if the provincial government is influenced by 2,200 petitions to be circulated by the Alberta Motor Association. Petitions are placed in garages, service stations and automobile accessory stores in all parts of the province to be signed by car owners. When completed the petitions will be presented to the Lieutenant-Governor-in-Council.

When suggested early in 1933 the Government replied that revenue of around $1,000,000 taken in during the first quarter of the year was required for current financial needs in the absence of other revenue. Motor club officials point out that there would be considerable revenue from the gasoline tax if the new plan were adopted and that this increase would, to a great extent, take the place of the usual revenue from car licenses. Far more cars will be in operation throughout the year if the date for securing license plates is made April 1, motor officials feel.

Sherwin-Williams Paint Meeting is Postponed

From Our Own Correspondent

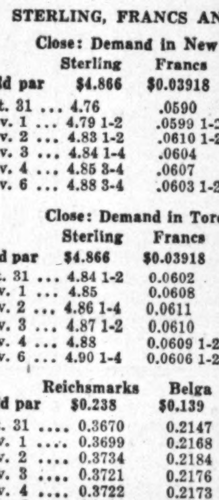
MONTREAL.—Annual meeting of shareholders of Sherwin-Williams Paint Co. of Canada, called for November 15, has been postponed until November 29.

SAFER THAN "BURIED TREASURE" but ALWAYS ON HAND

Do you really *know* how little it costs to keep safe those documents of one kind and another that can be so easily lost, stolen or destroyed, and how readily you may have access to your Safety Deposit Box in our Bank vaults? We would appreciate your interest and be glad to explain this service to you.

IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
Capital and Reserve $15,000,000

FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA



AN ALL-CANADIAN INSTITUTION

1866 1933

"... of His Majesty's Dominions in British North America!"

THAT was familiar language in 1866, when the British American Bank Note Company Limited was founded. The term British America applied definitely to those original colonies which united to form the Dominion of Canada.

Thus at its inception this Company took its name from the country in which it was to operate. To-day it is the oldest Canadian Company engraving bank notes and monetary documents. Sound Canadian traditions are associated with the name.

British American Bank Note Company Limited

1112 Bank of Hamilton Bldg. TORONTO
HEAD OFFICE OTTAWA
511 Place d'Armes MONTREAL

Insurance Inklings

The Canadian Life Insurance Officers Association will hold its annual meeting on November 17.

The Mutual Life & Citizens Assurance Co. of Sydney, Australia, has announced that there will be an increase in scale of ordinary branch bonus for 1933 on long term endowment policies. J. P. Moore, A.I.A., manager for Canada of the company, states that the increase will be from 17 to 20 per cent. In addition, on whole life policies in the ordinary branch, the scale of bonus will be from $20 for the first year increasing annually. When a policy has been in force for 35 years without the policyholder securing the bonus the face value of the policy will be double.

Standard Life Assurance Co. is celebrating its 100th year of activity in the province of Quebec where its first chief agent was appointed in 1833. A board of directors was established in Montreal in 1846, headed by the Hon. Peter McGill, as chairman. Present Canadian directors are Dr. Forbes Angus, chairman; Sir Charles Gordon, G.B.E., F. E. Meredith, K.C., and Walter Molson. Manager for Canada is W. R. Clark Kennedy and the agency manager for the Dominion is Lindsay Armstrong. Head office for Canada is in Montreal.

R. H. OLAND was elected president of the Halifax Life Underwriters' Association at the annual meeting held recently. T. Soders is vice-president, and E. S. Dexter, secretary-treasurer.

LICENSES ISSUED

Ukranian Mutual Benefit Association of Saint Nicholas of Canada has been given certificate of registry No. 67, authorizing it to transact in Canada, as a fraternal benefit society, the business of life insurance, disability insurance, and sickness insurance. Theodore Stefanik, Winnipeg, Man. has been appointed the society's chief agent.

1832 1933

Position . . .

THE POSITION which this Bank holds today in the financial structure of Canada is not a result of mere chance. It has been acquired by meeting the needs of its customers down through the years—since 1832—always along the lines of sound banking practice.

Coast to Coast in Canada
•
NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC
•
NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

•
World-wide facilities in every department of banking
•

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE
33-4

Position of Chartered Banks of Canada as of September 30, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	35,730,967	67,850,232	9,000,000	6,806,780	128,406,079	384,330,117	61,115,857	3,036,527	1,234,785	4,826,271	246,460	5,780,671	1,473,360
Nova Scotia	12,037,715	565,061	3,214,000	2,734,188	33,948,641	132,620,458	33,355,022	2,261,658	108,642	2,015,647	352,870	5,757,078	114,329
Toronto	6,561,034	218,732	1,500,000	988,222	22,761,611	65,435,453	....	1,074,671	193,139	946,615	1,142,100	1,259,448	150,428
Provincial	3,708,865	153,700	600,000	53,312	4,038,390	31,105,182	....	....	....	70,348	....	111,061	2,416
Commerce	25,914,495	742,234	7,000,000	3,818,780	113,389,899	281,145,818	41,056,472	1,428,894	737,322	7,551,613	57,454	12,602,397	....
Royal	32,545,832	1,451,622	9,000,000	7,353,349	124,855,277	263,918,805	158,802,092	805,330	452,776	11,508,311	365,648	19,534,875	116,417
Dominion	6,623,628	235,463	5,956,000	576,682	22,627,542	61,905,330	1,535,997	871,936	50,677	683,292	....	1,422,375	297,576
Nationale	8,956,674	346,968	2,800,000	2,104,795	17,602,700	78,103,523	1,012,878	566,681	28,272	274,302	....	365,520	....
Imperial	8,703,158	420,361	1,590,000	2,886,829	23,104,728	72,074,125	....	1,710,822	138,719	1,178,774	....	1,048,086	....
Barclays (Canada)	273,285	46,843	84,000	151,941	1,048,931	1,545,309	....	449,012	1,901,364	1,391,342	....	90,284	3,000
Total	141,055,653	72,031,216	40,744,000	27,474,878	491,783,798	1,372,184,120	296,878,318	12,205,531	4,845,696	30,446,515	2,164,532	47,971,795	2,157,526

NAME OF BANK	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	%	$	$	$	$
Montreal	21,828	38,000,000	36,000,000	783,859,940	50,000,000	36,000,000	8	1,240,218	16,737,400	47,284,234	36,804,220
Nova Scotia	364,067	24,000,000	12,000,000	265,449,382	15,000,000	12,000,000	12	2,922,958	8,830,657	10,465,760	12,118,639
Toronto	4,057	9,000,000	6,000,000	117,235,514	10,000,000	6,000,000	10	891,105	371,850	5,494,000	6,561,034
Provincial	6,047	1,500,000	4,000,000	45,349,321	5,000,000	4,000,000	6	592,650	216,670	413,265	3,853,025
Commerce	25,160	30,000,000	30,000,000	555,470,544	50,000,000	30,000,000	8	4,142,937	11,432,000	23,800,000	25,914,495
Royal	36,301	35,000,000	35,000,000	700,746,643	50,000,000	35,000,000	8	2,376,124	9,025,722	22,995,149	32,545,832
Dominion	175,830	9,000,000	7,000,000	118,962,334	10,000,000	7,000,000	10	1,046,899	643,000	1,817,000	6,709,788
Nationale	7,229	7,000,000	7,000,000	126,169,548	10,000,000	7,000,000	10	348,779	907,168	1,188,896	9,013,289
Imperial	3,299	8,000,000	7,000,000	127,858,905	10,000,000	7,000,000	10	435,873	519,194	5,547,467	8,703,158
Barclays (Canada)	....	500,000	500,000	7,985,315	500,000	500,000	......	....	11,946	64,969	294,290
Total	643,818	162,000,000	144,500,000	2,849,087,452	210,500,000	144,500,000	......	13,997,541	48,695,607	119,070,740	142,317,770

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other Bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	16,793,144	52,515,590	3,017,544	355,047	22,270,729	....	10,501,805	17,857,327	258,508,099	40,418,082	11,090,039	6,111,964	72,828,743
Nova Scotia	8,949,579	11,926,821	949,747	2,249,797	6,210,953	....	3,003,152	3,273,165	59,064,150	17,877,624	7,583,710	14,801,980	2,728,143
Toronto	363,410	4,887,205	585,545	24,111	5,649,421	....	2,294,045	1,318,049	34,532,819	8,193,304	1,165,760	5,813,445	....
Provinciale	216,100	301,682	339,515	27,590	1,501,180	1,140,315	1,757	74,237	9,663,601	4,913,432	3,443,532	5,207,619	....
Commerce†	11,519,525	26,044,740	1,995,920	861,423	15,037,695	24,322	2,039,791	11,707,405	109,600,140	60,375,299	13,634,807	9,287,906	19,650,290
Royal‡	9,001,275	21,389,531	1,679,538	15,514,572	15,594,026	1,590	1,611,991	25,380,625	112,213,141	6,820,347	12,633,008	49,567,812	29,500,230
Dominion	628,959	3,085,264	726,995	52,291	3,638,463	256	157,947	1,219,168	26,979,513	5,700,106	2,485,994	7,348,935	1,314,809
Nationale§	904,815	992,515	656,210	64,385	3,384,800	303,902	57,216	359,020	27,016,730	11,215,331	3,457,180	5,410,562	....
Imperial	497,804	5,944,359	739,080	21,887	5,138,183	613,655	525,834	1,017,853	24,532,334	6,445,268	164,900	6,353,180	....
Barclays (Canada)	12,352	126,560	19,065	1,319	447,141	1,428,187	2,888,600	97,536	1,046,844	182,689	31,332	127,000	....
Total	48,886,963	127,214,267	11,709,159	19,172,422	78,872,591	3,512,236	23,081,638	62,304,385	663,157,371	162,141,482	55,690,262	110,030,403	126,022,215

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	192,569,852	12,381,793	5,942,549	30,415,406	4,078,688	554,133	1,210,499	14,500,000	5,780,671	1,589,618	7,000,000	142,249	78,213	788,511,795
Nova Scotia	88,535,750	11,932,657	2,384	8,389,390	986,058	....	101,836	7,629,313	5,757,078	827,238	1,250,000	2,766,480	114,306	266,511,324
Toronto	42,297,945	....	....	4,623,073	420,335		69,766	3,735,570	1,259,448	315,801	630,866	....	....	118,179,927
Provinciale	13,975,073	....	....	1,151,554	162,914	598,628	377,664	2,106,757	111,061	195,400	....	....	185,881	45,755,500
Commerce†	181,107,146	15,215,159	6,753,105	29,561,637	3,038,837	2,727,362	2,544,257	14,966,741	12,602,397	1,250,000	4,000,000	3,887,975	422,903	559,856,794
Royal‡	226,506,337	106,643,832	1,330,728	11,496,171	4,347,982	2,608,931	835,120	17,229,299	19,534,875	1,500,000	3,000,000	6,449,199	460,670	703,790,832
Dominion	54,901,491	688,906	....	1,641,034	398,135	71,272	27,452	5,981,633	1,422,375	302,300	400,000	....	132,862	119,300,068
Nationale§	47,232,171	45,864	3,103,392	11,890,630	443,736	1,256,929	669,228	6,003,084	365,520	358,611	2,000,000	....	73,946	127,264,787
Imperial	56,690,890	....	102,298	9,328,843	381,491	185,136	430,188	6,017,675	1,048,086	440,100	2,400,866	....	140,496	129,159,915
Barclays (Canada)	1,006,061	....	....	....	19,794	....	....	450,000	90,284	14,907		....	....	7,989,677
Total	904,822,716	146,908,111	17,234,456	108,497,738	14,277,970	8,002,391	6,266,010	78,680,072	47,971,795	6,493,975	20,681,732	13,345,903	1,543,277	2,866,426,639

*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

Insurance for Buyer and Seller

TORONTO ACTUARY URGES FORMATION NATIONAL BODY

Need Stressed For Common Action By Insurance Institutes

A national insurance institute for Canada operating along lines similar to the Federated Insurance Insurance in Great Britain was urged by L. K. File, associate actuary of the Canada Life in his inaugural address as president of the Insurance Institute of Toronto recently.

As far as the life branch of institute work in Canada was concerned, Mr. File pointed out that this would mean no very important change because the work was already in reality national in scope. He felt, however, that there were many advantages that might accrue to the fire and casualty sections in that one broad standard of education would be laid down for the whole of Canada and there would be an elimination of the overlapping of work which at the present time requires to be duplicated by each of the existing institutes.

Place For Local Bodies

"A national body representing all institutes," said Mr. File, "could undertake the control and supervision of the examination while the local institutes would continue their present practice of meeting together for discussion of topics of mutual interest."

A matter of such importance, he said, should receive the most careful consideration. "I trust," said Mr. File, "that during the coming session the matter will receive the consideration to which its importance entitles it and that before the session ends it may be possible to reach definite conclusions."

Mr. File also referred to the very pressing matter of unemployment insurance which has become such a vital question to Canada and all world countries at the present time. He indicated the willingness of insurance companies to be of whatever assistance they could in this matter and expressed the hope that sound legislative measures would be adopted.

"The insurance companies by reason of their great technical knowledge and experience in insurance and financial matters," he said, "are in a position to be of considerable assistance to our Governmental bodies in this connection and it is gratifying to note that in regard both to unemployment insurance and to other schemes of social insurance the insurance companies have expressed a willingness to place at the disposal of the Government their wide actuarial and technical experience as their contribution toward a solution of these complex and difficult problems.

"May we therefore give expression to the hope that as a result of the extensive investigations and discussions which are absolutely essential if a sound permanent solution of these problems is secured, there will be evolved legislative measures of such a nature as will solve these great social problems without at the same time placing an impossible burden on the country at large."

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

An Annuity Problem

I have a client, a widow, age 47, who has two girls, ages 8 and 11. Ample funds for their education have been set aside.

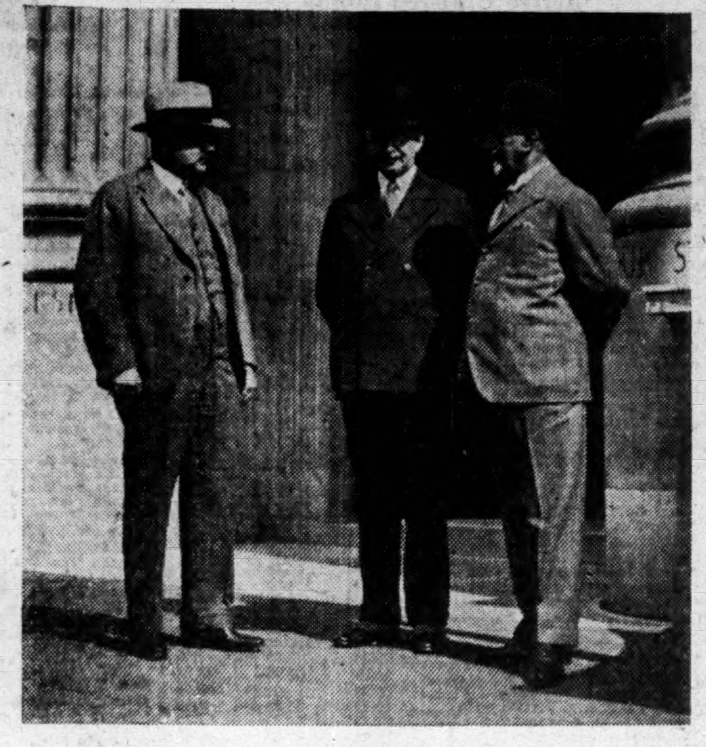
My client has Dominion Government, provincial, municipal and corporation bonds, of which list is attached. She also has considerable real estate, which has not proven very satisfactory; many tenants being considerably in arrears with rent.

I have suggested that she sell $29,000 of bonds to buy a guaranteed immediate monthly annuity of $150 a month.

I am particularly anxious to advise my client correctly in view of my close friendship with her deceased husband.

Although it is difficult to give definite advice without a more intimate knowledge of your client's affairs, experience would indicate that your client would be saved considerable trouble and worry by the purchase of a guaranteed annuity. There is ample evidence to support the viewpoint that annuities live long and there are very few women who are capable of looking after a diversified list of securities such as you have outlined.

Insurance Leaders Meet at London



On the right is Hon. Sir Phiroze C. Sethna, Kt., O.B.E., whose retirement as general manager for India, Burma and Ceylon has been announced by Sun Life of Canada. He is seen chatting with Arthur B. Wood (centre), vice-president and managing director of the company, and with H. O. Leach (left), general manager of the company's British department, in front of the company's administrative office on Cockspur Street, London, England.

Big Insurance Policyholders Have Highest Mortality

Some startling figures showing that the larger the size of the policy, the higher was the death rate among policyholders, were given in a paper presented recently by James S. Elston, assistant actuary of the Travelers Insurance Company, before the Actuarial Society of America.

The analysis covered 43,814 deaths in the company's experience for a total amount of $188,000,000 of insurance. Total exposure analyzed was $27,000,000,000.

Mortality Above Average

For policies of $50,000 and over the company found that mortality was on the average 127 per cent of the "expected" whereas for policies under $50,000 the average was 95 per cent of "expected" mortality.

"The principal lesson from this investigation," says Mr. Elston, "is that in general the mortality ratios increase remarkably consistently with the size of the policy. Policies under $5,000 have considerably better than average mortality. The mortality on policies of from $5,000 to $25,000 is approximately standard as might have been expected, except that mortality is not really favorable on any term policies over $10,000.

Separate analysis was made by Mr. Elston of term policies according to size and it was found that mortality of this type of policy was very unfavorable in the very largest sized groups, although he points out that in some of these groups the number of deaths is not great enough to assure that the experience is completely reliable. In addition he points out that mortality on term policies should be considered in connection with the fact that a higher mortality rate is expected and that premiums are adjusted for that expectation.

The results as shown found by this investigation are shown clearly in the following table:

Size of Policy	No. of Deaths: Actual Deaths No.	% of Actual to Expected Mortality
- $2,000	23,675	93
$2,001 - $4,999	5,855	93
$5,000 - $10,000	12,291	100
$10,001 - $25,000	1,497	107
$25,001 - $49,999	146	107
$50,000 - $99,999	264	122
$100,000 and over	86	142
	43,814	96
Amount of Claims Paid	**Amount Paid**	**%**
- $2,000	$30,670,000	93
$2,001 - $4,999	17,716,000	93
$5,000 - $10,000	81,694,000	101
$10,001 - $25,000	28,880,000	108
$25,001 - $49,999	4,942,000	108
$50,000 - $99,999	14,011,000	122
$100,000 and over	10,177,000	138
	188,090,000	103

Famous Indian Statesman Retires From Sun Post

Retirement from active service of the Hon. Sir Phiroze C. Sethna, Kt., O.B.E., general manager in India, Burma and Ceylon for the Sun Life of Canada, is announced. He will continue in an advisory capacity.

Sir Phiroze joined the Sun Life on January 1, 1900, and rose from the position of secretary to that of general manager for India, which appointment he received in 1926. In addition to being one of the outstanding Indians in the insurance business in India, Sir Phiroze, one of the most prominent Parsees in India, is the leader of the Liberal party and has been a member of the Legislative Council for India for many years. He is also chairman of the board of directors of the Central Bank of India, and is a member of the directorate of a large number of financial and industrial corporations in that country. In 1926 he was knighted. He was selected by His Majesty's Government to act in an advisory capacity to the Round Table Conference in England.

Chamberlain Succeeds

With the retirement of Sir Phiroze, H. Chamberlain, district manager for Bombay, becomes supervisor for India, Burma and Ceylon. Mr. Chamberlain is one of the best known Europeans in the insurance business in India, and has had a long experience in the field.

T. L. S. Overing, son of the late Archdeacon Overing of Montreal, has been appointed resident secretary in India, and has just left for that country. Mr. Overing has held many important secretarial positions with the company, in addition to spending four years at the head office, Montreal. He has been secretary of branches at Montreal and Edmonton, and was for four years connected with the branch office in Winnipeg.

Sun Life has maintained an active organization in India since 1892, and, due to the business in force, it is an important branch of the company's foreign business.

Insurance Inklings

G. W. GEDDES, manager and actuary of the Northern Life, recently addressed the London Rotary Club on the development of the actuarial department in the life insurance business. The theory of simple probability upon which life insurance was established on a scientific basis was established by the Frenchman, Pascal, who worked it out with the aid of a number of roulette wheels at the request of a French Duke whose gambling losses led him to seek a system. The first life insurance company to be established on a sound actuarial basis was founded in 1762, according to Mr. Geddes.

Travelers Insurance Co. announces the 15 leading producers of new accident business in Canada from January 1 to September 30, are: Eugene S. Freeman, Halifax; Norman Morrison, Montreal; Joseph H. Lachance, Montreal; E. H. Cowan, Vancouver; R. P. Daigle, Montreal; J. A. O'Connor, Ottawa; H. A. Williams, Halifax; W. W. Warren, Winnipeg; John A. V. MacRobert, Halifax; Louis E. Joncas, Montreal; Arthur A. Johnstone, Toronto; Roland Casault, Quebec; W. M. Barber, Toronto; Richard W. Dietsche, Montreal; Arthur N. Lockhart, Vancouver.

The Travelers' leaders in new paid life premiums for the same period are: Leon A. Brown, Winnipeg; John A. Perdue, Vancouver; Norman F. Henry, Toronto; R. J. Leslie, Montreal; John C. Ross, Toronto; G. C. Draper, Montreal; Frank H. Whitney, Winnipeg; Frank J. Conway, Montreal; T. H. Forbes, Winnipeg; Walter H. Webling, Toronto; Louis E. Joncas, Montreal; A. I. Coultry, Winnipeg; William Ward, Winnipeg; John L. Webster, Toronto; R. A. Duncan, Montreal.

October Good Month for Monarch Life

Total business written by Monarch Life Assurance Co. during October constitutes a new high record for the year and shows an increase of 60 per cent compared with the same month last year. Cash collected on new business during the month reached a high figure.

The special campaign conducted in October and being continued in November, is in honor of J. A. Macfarlane, general manager, who completed last month his twenty-fifth year of service with the company.

Provide FULLY for Your Fire Hazard

NOT, of course, in the thousands you may lose, but in the few dollars required to protect those thousands. Enjoy the sense of security which comes with thorough coverage and dependable assurance of speedy settlement.

All reinsurances are effected through Lloyds of London, England, and a deposit is maintained with the Federal Government, making your policy with this 49 year old Company absolutely secure.

THE PORTAGE MUTUAL INSURANCE CO. MUTUAL SERVICE WITH SECURITY

Est. 1884

The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.

Fire - Automobile - Burglary - Windstorm - Plate Glass - Sprinkler Leakage

TORONTO VANCOUVER EDMONTON MONTREAL

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

Home Assurance Plans to Write Fire Insurance

Home Assurance Co. of Canada with head office at Calgary will shortly enter the fire insurance business according to a statement made to The Financial Post by F. A. Ogilvie, president and general manager of the company.

The company will operate as a non-tariff office but will "adhere as closely as possible to tariff rates." For the time being the company will confine its operations to the three provinces in which it now operates, namely Alberta, Saskatchewan and British Columbia. Fire business will be written only in protected towns and cities and not in rural districts, according to Mr. Ogilvie. Ninety per cent of the risk is being carried for the time being at Lloyd's, London.

Home Assurance was incorporated in 1918 and operates under Alberta provincial charter. In the past its business has been confined to accident, sickness and automobile lines.

TWELVE STATES OUTLINE POLICY ON LIQUOR SALES

"Beer and Wine" Advocates for Ontario Study United States Trend

Wide interest in Ontario as to the Provincial Government's plans in connection with the campaign to permit sale of beer and wine in hotels, restaurants and licensed premises gives interest to plans being formulated in a dozen states of the American union as to the methods of sale of beer, wine and other intoxicants.

Arizona: State Tax Commission authorized to pass on moral character of license applicants.

California: Saloons are specifically barred. Liquor may be sold only by stores in original packages, but not consumed on store premises. Wine and beer may be sold in restaurants, cafes, boarding houses and other places where meals are served.

Colorado: Licensing system would bar drinking of whisky on premises where sold but would allow restaurants, hotels, clubs, transport airplanes and passenger trains to sell beer, wines and other intoxicants containing less than 15 per cent alcohol. No whisky drinking would be permitted in public.

Connecticut: Whisky could be sold in packages by stores only. Beer taverns could sell beer and light wine only. Restaurants and hotels are expected to seek amendment of the law so that they can handle whisky.

Delaware: One-man liquor commission, possessing wide latitude, would control manufacture, sale and taxing of hard liquor with enforcement still up to local police.

Florida: Legislature has submitted amendment to state constitution to be voted on in November. It would change the state bone dry act to county option, allowing each county to determine whether to permit liquor or remain dry.

Maryland: Pending further expected legislation within a few months, Baltimore would operate under a license board with each county elsewhere in the state exercising its own option.

Montana: Control bill patterned after system used in Alberta, Canada, provides $25,000 to establish state liquor stores in each of 56 counties. Liquor purchases would be sold by permits. Licensed dealers could fill doctor's prescriptions. Counties would have the option to adopt plan or reject it.

New Mexico: Liquor control law permits each county or municipality of 10,000 or more to hold local option elections. Where vote is wet, groceries, drug stores and other mercantile establishments which have operated for three years or more could sell intoxicants. Hotels, restaurants, and cafes which have operated for three years under the same management could serve liquor with meals. The whole plan, however, is contingent upon repeal of the state dry law.

N. Y. License Scale Fixed

New York: Under a temporary law passed at the recent session of the Legislature the State Beer Control Board would be given control of liquor pending enactment of permanent legislation next winter. A license scale is fixed, including the following levies: Liquor, $1 a gallon; sparkling wine, 40 cents a gallon; still wines, 10 cents a gallon; distillers, $15,000 a year; wine manufacturers, $500; wholesale liquor dealers, $4,500; wholesale wine dealers, $500; retailers in cities of more than 100,000 population, $1,500 for consumption on the premises and $1,200 for consumption off the premises; in cities of less than 100,000 population, fees would be $1,200 for consumption on premises and $1,000 where consumption on premises was not permitted.

New Jersey: Old inn and tavern act would become effective, restoring license system prevailing before prohibition.

Rhode Island: State enforcement act repealed. Beverage commission will promulgate regulations for sale of whisky.

Market in Argentina for Canadian Talc

The Canadian Trade Commissioner at Buenos Aires, Argentina, reports that country a potential market for talc. The importations in 1932 totalled 1,505 tons, of which Italy supplied 45 per cent. Italian talc has long been recognized as a standard of high quality in Argentina by reason of its whiteness and greasiness. No Canadian importations are shown, but it is believed that if Canadian talc could be offered at competitive prices Canada should be in position to secure a portion of the trade. The duty on pulverized talc is 32 per cent, plus a temporary 10 per cent duty on the appraisal value of 4.8 gold pesos per 100 kilograms. Talc marketed in Argentina is shipped in either double jute bags or jute bags with paper lining inside, the latter method being most acceptable.

A limited market also exists in Argentina for diatomaceous earth with the oil industry and the sugar refining industries the principal potential consumers. Germany has supplied the principal requirements in the past.

Interested Canadian firms should communicate with the Canadian Trade Commissioner at Buenos Aires, giving full particulars.

Coal Production Gains

Canadian mines produced 1,101,158 tons of coal in September, as compared with 934,191 in the corresponding month of 1932 and 1,012,659 in September, 1931. The five-year average for the month was 1,204,659.

Buyer of 1934 Motor-Car Will Find Big Changes

Elimination of Front Axle and Individual Wheel Springs is Major Development—More Streamlines—Higher Prices

"Skirts," "airplane pants," stationary or higher prices and independent wheel suspension are the biggest items of news as motor car manufacturers in Canada and the United States get ready for 1934. The strike of tool and die makers plus uncertainty as to Government monetary policy in the United States have slowed up plans considerably and according to experts in that country, there will have to be some fast moving if the new cars are to be ready for the New York show in January.

However, sufficient news and gossip is available to give a good general picture of style trend for next year.

No Front Axle

Most radical mechanical change is what is known as independent "wheel suspension," or elimination of the front axle. This practice is not new to Europeans and latest reports from London report a definite swing to this feature in the British cars. According to Business Week, all General Motors cars will have their front wheels independently mounted, while Cadillac and La Salle may also revise rear wheel mountings. Ford is reported considering the new suspension on all four wheels, while the Chrysler group is expected to make the change on the front wheels at least.

The chief virtues of this individual suspension of the front wheels (usually done by means of individual coil springs) were outlined recently in the British magazine "Autocar" which says of this feature in the new British Sunbeam:

"The new springing absolutely justifies its existence. It would do so for its effect on steering, let alone on springing. The effect of these independent springs is to make a medium-sized car feel every bit as steady as quite a big one. The riding is even, with minimum pitching and the travel over really rough roads is surprisingly comfortable. Literally, there is so little to show in the matter of bouncing about that one believes at first the road is not so bad as it looks. "The difference in steering is most marked. On ordinary cars, the faster they travel, the more care has to be taken of steering. The feel of the steering alters very materially with the speed. On the new Sunbeam 'Dawn' the steering remains practically unaffected by the speed and if a bump or a hole is taken fast or slow there is now little or no reflex felt on the wheel. Steering is marvellously steady and it makes the car feel as safe as a house."

Similar comment on the new plan is made by magazine Steel in its Oct. 15 issue. It says:

"A 'softer' rider is claimed as the main objective of the new spring mounting, with more benefit accruing to passengers on the rear seat than the front. Engines will be mounted farther forward in the frame. No matter at what angle the front wheels may be, the body will remain practically horizontal. Bodies will tend more to glide forward than to bob up and down."

As to body style nearly all makes will feature some kind of controlled ventilation as introduced by Fisher and General Motors last year. Stream lining will move rapidly forward with most if not all, of the new models featuring "skirts" on fenders. The success of last year's Oldsmobile has apparently pointed the way in this direction. The new Nash is probably first to inaugurate "airplane pants" and other makers are expected to follow suit.

Price trends are reported as uncertain. In spite of higher production costs there is much pressure to attempt production at or near last year's price levels if possible. Packard has already increased prices $200 and it is thought that cars in the middle price class will on the average be $100 higher. General Motors recently announced that added cost of operations in the United States due to N. R. A. averaged $21 per car for labor alone. Higher prices are predicted for Chevrolet unless this cost can be absorbed by considerably increased output.

New Books

"The New Canada"

"The New Canada" is labelled an engineer's plans and specifications for a new economic structure for Canada. It has been written by Edwin E. H. Hugli, a professional engineer in Toronto, and is published by him in a modest-sized pamphlet.

Plans and specifications have been drawn up for practically every branch of government in Canada which it would be futile to attempt to review. If, for instance, an architect were to draw up the plans for a new head office building for the Canadian Pacific Railway, most people would not be interested in seeing the drawings unless the directors of the Canadian Pacific Railway had accepted them and proceeded to the building of the new office. Engineering plans for Canada are equally intangible although they have considerable interest for those who like to play around with Utopias.

"The New Canada" is published by Mr. Hugli at his home, 356A Kingswood Road, Toronto, at 50c.

"Towards Liquor Control"

The liquor control systems of the Canadian provinces are thoroughly reviewed and their general basis is offered as a guide to American federal and state legislators in determining how liquor is to be sold in the United States after repeal has been ratified on December 5, in a comprehensive survey recently completed by Dr. Raymond L. Fosdick and Albert L. Scott. These two investigators made a study of experience in liquor control in various countries, their study being sponsored by John D. Rockefeller Jr. Their conclusions are published in "Towards Liquor Control" just issued by Harper Bros., New York.

Two basic problems have been recognized by the authors and dealt with. The first is the problem of setting up a system of regulations of the liquor traffic and they lean toward the system of state regulatory bodies similar to our provincial bodies, rather than to federal control. The second phase of the problem is that relating to systems of taxation which should be applied. They have attempted to find a system of taxation which would keep the price of liquor low enough to discourage the bootlegger and high enough to discourage excessive drinking. They suggest a scale of retail prices designed to encourage the consumption of beer and wine and discourage the use of liquors of higher alcoholic content. It is notable, however, that the prices they have fixed, (for instance, ordinary wine from $1.50 to $2.50 a gallon, whisky, gin and other spirits at $1.50 and upward per quart) are much lower than the prices at which liquors are available in Canada. They favor low excise taxes but a high special liquor profit tax based on the net income or on excess profits of those engaged in the business of manufacturing liquor.

The volume sells at $2.

"What Everybody Wants to Know About Money"

Nine economists from Oxford have written "What Everybody Wants to Know About Money." The book has been planned and edited by G. D. H. Cole, who is the only one of the nine writers who can be said to have an established reputation as a monetary economist, or at least a reputation outside of Great Britain. The volume then is to be regarded as a reflection of the views of Mr. Cole himself, and, in view of the colossal production of economic and historical works, not to mention detective stories, for which he has been responsible during the past year, it is not surprising that he has obtained the assistance of eight of his junior colleagues in this symposium.

The volume is one of intense interest and since it has been planned not for the student but primarily for the general reader and since it deals critically with many of the more popular schemes for monetary reform, it provides a most valuable background for a reading of current news and about monetary developments in the world.

Careful planning has enabled the authors to avoid either repeating themselves unduly or debating among themselves. Each author has taken a certain phase of the question of money and dealt with it thoroughly. Thus, Mr. Cole attempts to answer the question that has become almost a riddle to the present generation "What is money?." He follows this up with a discussion of money and the world crisis. Other authors then discuss the questions of currency and central banking, commercial banks and credit, foreign trade and exchanges, capital and investments, money and prices, investments and savings, and public finance and debts. One of the most useful of the chapters is that of H. T. N. Gaitskell, who deals analytically with the views of four monetary heretics, of whom the most notable is the famous Major Douglas, a crank whose ideas have considerable vogue in Canada.

It was inevitable that Mr. Cole should conclude the book with a discussion of the socialization of banking and with a rather provocative analysis of the demand for exchange stability versus the demand for a stable price level, with his own views of a possible alternative.

Complete as the book is it can be purchased at small cost. The Ryerson Press, Toronto, is offering a cheap cloth bound edition at $1.50.

Canadian Industrial Field

Consummation in book form of a valuable work begun several years ago by the Department of Trade and Commerce is found in a new publication, "The Canadian Industrial Field," now available through the King's Printer at Ottawa at a cost of 50c.

Styled as a "compilation for the guidance of industrialists considering expansion in Canada" this publication has been compiled under the direction of Frederic Hudd, Canadian Government Trade Commissioner at New York and by officials of various departments of the Federal and Provincial Governments. The booklet is designed to give to those in foreign and empire countries who are contemplating a branch plant or industrial expansion in Canada, a comprehensive bird's-eye view of tariff, taxation incorporation and other regulations which they must face, together with valuable material showing the growth and present status of manufacturers, trade, forest, mineral, water power resources, transportation and so forth in this country.

Originally as a result of personal efforts of Mr. Hudd this information was compiled in loose leaf form for circulation chiefly at the head offices of Canadian trade commissioners abroad. Now the material has been revised, brought up-to-date and published in pamphlet form which is capable of distribution far and wide wherever there is interest in Canada from an industrial viewpoint.

Two very real contributions made by the book are a 50-page survey of British Empire tariff preferences on Canadian goods, which is perhaps the only compilation of its kind available, and an exhaustive review of all matters pertaining to the incorporation, control and taxation of Canadian companies either at Ottawa or in any of the provinces.

Automobile Facts

Anyone interested in masses of statistics concerning the automobile industry, as it has developed in the United States, and particularly those anxious to obtain material in the taxation war between motor vehicles and the State, will find a wealth of information in the latest edition of "Facts and Figures of the Automobile Industry."

This is the fifteenth edition of this volume and is published by the National Automobile Chamber of Commerce at 366 Madison Avenue, New York City. The figures contained in the 1933 edition are for the calendar year 1932 and in addition to nearly 100 pages of statistics on the American situation some interesting facts on highway mileage and motor vehicles throughout the world are compiled.

There apparently is no charge for the book which is issued as a publicity and propaganda volume for the association.

"Mineral Deposits of the Canadian Shield"

At a most opportune time, when Canada is so much to the fore with its mineral developments, there comes a book which contains an immense amount of geological information between its covers. This work by Dr. E. L. Bruce, of Queen's University, is necessarily a review of practically all the geological work done on the Pre-Cambrian mineral deposits of Canada. In order to deal with such a subject, a long period of study and work has been carried out by the author. This has been done during many years of field work and a comprehensive examination of volumes of reports by other investigators.

A thorough presentation is first made of the different theories of ore deposition. A great deal of the latest information on this part of the subject is correlated so as to give the reader a clear picture of the mineral forming agencies. Most of these conclusions are drawn from laboratory experiments and footnotes throughout give credit to the different scientists and their publications.

The second part of the book takes different sections of the Canadian Shield, describing their geology and mineral deposits. Brief descriptions are given of nearly every mine of any interest. Some of the most important areas such as at Sudbury, Kirkland Lake and Porcupine are discussed in more detail.

Throughout the book references are made to reports, bulletins and publications which can be studied for further information. There are many interesting illustrations of rocks, minerals and geological sections of mines which materially assist in the explanation of the tevt.

Dr. Bruce's book will be of real interest and a valuable aid to all who take part in the development of Canada's mining industry.

It is published by the Macmillan Co. of Canada, price $6.

Quebec Wood Cut on Lower Scale in 1932

From Our Own Correspondent

MONTREAL.—Wood and pulpwood cut in Quebec last year shows a decrease from that reported in 1931, according to returns tabulated by the Department of Lands and Forests. The total production of cordwood was 2,540,243 cords, compared to 2,940,376 in the previous year. Of the total amount cut 1,745,000 cords were consumed in the province and 165,772 shipped elsewhere.

Pulpwood production was 1,240,442 cords, against 1,513,658 in 1931; while paper production was 1,057,433 tons in 1932 and 1,275,105 tons the year before.

Dominion Coal Output Up Sharply in October

From Our Own Correspondent

MONTREAL.—Dominion Coal Co.'s operations in October resulted in the hoisting of 398,756 tons of coal, the best month's output since July, 1927, and considered all the more remarkable by the fact that two fewer mines were in operation than in 1927.

The October figure is 93,750 tons higher than for the preceding month, but the sharp pick-up in the coal business in the last few months is better illustrated by the 231,055-ton increase over October, 1932.

Saint John Developing

In addition to the work now going on at the new West Saint John docks, where steel sheds are being erected, word from Ottawa reports the prospective spending of $756,000 to complete the development. This involves connecting the new elevator with the piers by means of grain conveyors, the laying of some 10 miles of additional tracks, the expropriation of 25 additional properties, comprising some ten acres, and considerable levelling and filling.

MR. PICOBAC Visions Vancouver Harbour

If Mr. Picobac was impressed by visions inspired by the Rocky Mountains, he was more than impressed by his vision of Vancouver's future as Canada's gateway to the majestic Pacific.

Convinced that smoking conditions in Vancouver were looking up, the Burley Ambassador from Essex County went down to the waterfront to see the shipping of all the world gathered there to serve Canada's trade. As the Canadian Pacific's Great White Steamship "The Empress of Japan" was steaming down the harbour on her way to the Orient, he waved his hand in salute.

"Did you miss the boat?" asked a sympathetic bystander, noticing the direction of Mr. Picobac's gaze.

"No, sir," retorted Mr. Picobac: "My route is Eastward now . . . overland. I came West to Vancouver to investigate smoking conditions here: And now I'm going home."

"How did you find things?" asked the bystander.

"All Picobac," replied the philosopher of Essex County. "I find that Picobac is all Canada's idea of a mild . . . cool . . . sweet smoke,—from Coast to Coast."

. . .

Mr. Picobac's investigations into Canadian smoking conditions end at Vancouver. He will go home now to prepare his report. Watch for it. Get a tin of Picobac while you are waiting: For sale every-where. Try it . . . today: —and don't forget you get more tobacco for your money.

Good for making cigarettes, too:

Handy pocket tins, 10c.
½ lb. tins now reduced from 75¢ to 60¢.
"IT DOES TASTE GOOD IN A PIPE!"
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20,000 New Policyholders Yearly

For many years more than 20,000 men and women have joined the Canada Life's great family of policyholders annually. Group Insurance policies would greatly increase this total.

Thousands of individual premiums aggregate many millions of dollars annually — money that is to grow and be returned, sooner or later, to beneficiaries or to policyholders themselves.

During the past three years the Canada Life paid out over $77,000,000 in this way. In the same period it added over $43,000,000 to its assets to provide for future liabilities to policyholders.

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Unlisted Bonds and Stocks
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WILTSEY-COGHLAN HAS $36,727 CASH

Diamond Drilling Starts Towards Locating Horne Fault

Shareholders of Wiltsey-Coghlan Mines are in receipt of a report dated October 31, 1932, showing current assets of $36,727 as compared with estimated current liabilities of $3,000.

H. S. Denny, president of the company, states that diamond drilling on the company's property, immediately east of Noranda was started in August and that in No. 18 hole gold-bearing rhyolite was intersected over a width of 55 ft., at a depth beginning at 185 ft. Assays of 5-ft. sections varied from 40 cents to $1.90 in gold per ton. This hole was continued to 919 ft. where a diabase dyke projected from the Noranda property was encountered. The dyke showed for 120 ft. in the bore hole, which is at an angle. It was thought that this hole might possibly intersect the extension of the Horne fault before reaching the contact of the acid rocks and the basic lava were struck at a depth of 1,540 ft.

Owing to the depth to which drilling apparently will need to go, a new diamond drill hole, No. 19, was started the middle of October and encountered another diabase dyke at a depth of 121 ft. This hole is projected to a depth of 2,000 ft. towards the Horne fault.

REPORT ASHLEY OUTPUT $142,050

West and Ashley Veins Now Thought to Be the Same

The quarterly report of Mining Corp. of Canada for the three months ended September 30, 1933, shows the production from the Ashley Gold Mining Corp. as valued at $142,050, in Canadian funds, recovered from 10,149 tons of ore milled. This is an average recovery of approximately $14.20 per ton, including exchange compensation. The recovery was approximately 98 per cent while tailings assayed 20 cents. Somewhat over 25 per cent of the tonnage treated was represented by ore from development bases and surface.

Since the commencement of milling operations just over a year ago the total tonnage treated by the Ashley mill has been 33,972 tons of ore producing $424,494 in Canadian funds. In addition, approximately 2,200 ounces of gold remain tied up in the mill circuit.

Veins Thought Same

Underground development during the period under view consisted of 984 ft. of drifting, 285 ft. of crosscutting and 146 ft. of raising. An important feature of the work in the last period was to tend to confirm the possibility that the West vein and the Ashley vein are identical, the occurrence of the two sections on the second, third, fourth and fifth levels being due to a normal fault. The latter displacement of this fault is not yet known, but the result of the vertical displacement has been to place the Ashley vein approximately 200 ft. to the East of the West section of the above mentioned level.

Recent development work of the west section of the vein on the fifth level indicates that a similar fault again replaces it. The apparent displacement is about 270 ft. and crosscutting on this level had already reached this faulted section of the vein. Drifting on it has just started as has further work on the sixth level.

Development work to date has placed in sight sufficient tonnage to replace that milled, according to the report, and drifting operations indicate a grade of ore similar to that already extracted.

Foundation Securities Not Oro Grande Agents

Foundation Securities, Ltd., whose sales license was recently suspended by the Securities Commissioner for Ontario, was not the fiscal agent of Oro Grande Development Co., The Financial Post is officially advised by R. H. Little, managing director of the company.

Early this year R. H. Little & Co., of Winnipeg, arranged with the Jendow Holding Corp. of New York to provide the company with funds to purchase the mining and milling plant and carry on development to production. An option was given at that time and confirmed by shareholders on October 7 and this option was completed several months ago, according to Mr. Little. At the time the option was given, all original vendor shares were held in units by the Union Trust Company and not convertible into the present treasury shares until March 31, 1934.

The inference taken from the official statement is that the Foundation Securities must have been selling the stock taken up by the Jendow Holding Corp. of New York, over which Oro Grande Development Co. claim there was no control.

Base Metal Mining Corp. Makes Fourth Shipment

Production by the Base Metal Mining Corp. in the six weeks ended September 20, 1933, was 11,742 tons, according to the quarterly report issued by Mining Corp. of Canada, leading shareholders in the company. The average grade of ore milled was 15 per cent lead, 11 per cent zinc and 1.8 oz. silver. During the period 2,178 tons of lead concentrates averaging 8 per cent lead and 1,875 tons of zinc concentrates averaging 60 per cent zinc were produced. Additional flotation cells were added to the mill and a classifier installed permitting the increasing of the monthly tonnage to 9,000 tons.

Development work has resulted in a four-year supply of ore at present milling rate and a programme of development and exploration is now under way with the object of extending the known ore body and exploring new and promising areas.

The third shipment of lead and zinc concentrates to Europe has been made via the S.S. "Oakworth," the total tonnage in long tons, dry weight, being 1,375 tons.

It is expected that a fourth shipment will go forward on the S. S. "Tilsington Court" ready to load at Vancouver on November 20.

Normetal Sinking Shaft Two New Levels Planned

Shaft-sinking is now in progress at the Normetal Mining Corp. property, formerly the Abana property, according to the quarterly report issued by Mining Corp. of Canada, which controls Normetal. The new work will permit the opening up of two new levels at 675 ft. and 800 ft. respectively. When sinking is completed, the ore already indicated by diamond drilling will be developed.

At the Mines

Alberta Pacific Oils—The annual meeting of shareholders has been called for November 18, in Calgary to consider the sale of certain properties and rights to the Royalite Oil Co.

* * *

Bulolo Gold Dredging Co.—October production amounted to 8,101 ounces of gold recovered from 448,100 cubic yards of gravel treated. The estimated operating profit was $190,950. The third dredge is expected to start recovering gravel at once and a fourth dredge is being assembled.

* * *

B. R. X. Mines—The shares of this company have been listed on the Montreal Curb Market. They have been listed on the Vancouver Stock Exchange for some time.

* * *

Central Manitoba Mines—W. J. Hurst, director of the company, has been made managing director in charge of operations at the property owing to the death of A. D. Miles, former president, and the illness of H. C. Davies, chairman of the board.

* * *

Dome Mines—October production was valued at $350,906 as compared with $356,933 in September. This brings the ten months production to $3,813,000, exclusive of exchange compensation.

* * *

Fawn Mining Co.—The company's name appears in the bulletin issued by the Federal Trade Commission at Washington, D.C., covering securities that have been registered with the Commission for permitting sale in the United States. The underwriters are shown as Reid, Henderson, Ltd., Vancouver.

* * *

Great Bear Lake Mines—A shaft is being sunk on the Rad group of claims to an immediate depth of 150 ft. A vein five feet in width was reported in the shaft and in test pits. A small mining plant has been installed and work is to be conducted throughout the winter.

* * *

Model Oils—No. 2 well, formerly known as Anaconda No. 1 well, was placed in production on October 1, 1933, and is currently producing about 25 barrels of 72.3 gravity discolored crude naphtha daily.

* * *

Paymaster Consolidated Mines — The dewatering of the Heinze shaft has been completed and lateral work underground was commenced this week.

The Heinze shaft was sunk adjoining the Dome Mines boundary, a stone's throw away from the famous Dome glory hole. This section of the property is to receive first exploration and a compressor plant has been removed from the mill site to this point where exploration will be aggressively pursued. G. R. Maclaren, formerly of the Howey Gold Mines staff, is engineer in charge of work at the property.

* * *

Pontiac Rouyn Mines — A diamond drilling contract has been let and work has started on several thousand feet of drilling on the company's property about one mile north of Noranda Mines.

* * *

Royalite Oil Co.—A dividend of 50 cents per share has been declared payable December 20, 1933, to shareholders of record December 5, bringing the dividend disbursements for 1933 to $1 per share, the same as paid in 1932.

* * *

St. Lawrence Metals Ltd. — The Quebec Gazette of October 28 carries a sheriff's notice of the sale of the company's mining claims by public auction on November 17. The property comprises 104 acres in Montauvan township, Portneuf county, Quebec.

* * *

Sovereign Porcupine Mines—Shareholders are called to a special general meeting to be held in Toronto, November 13, 1933 for the purpose of completing the winding up of the company.

NICKEL PRODUCTION RAPIDLY INCREASING

Current Output at Annual Rate of 120,000,000 Pounds

Production of nickel in Canada continues to climb, with the August output shown by the Dominion Bureau of Statistics at 10,197,430 pounds. This brings the total production for the eight months of 1933 to 42,152,367 pounds as compared with a total of 30,327,968 pounds in 1932. To give an idea of the increased production of nickel during the current year the August rate was 572 per cent above the January production.

The export of nickel in ore, matte or speiss from Canada in August totalled 4,300,100 pounds as compared with 3,888,300 pounds in July. Exports of refined nickel showed a drop in August to approximately one-half that in July with an exportation of 3,515,300 pounds. Nickel oxide increased in August to 628,400 pounds as compared with 367,500 in July.

"Survey of Mines" In Eighth Edition

The eighth consecutive annual edition of the "Survey of Mines" deals with practically every mining operation of importance in Canada and Newfoundland, giving a complete setup of the capital structure, personnel, properties and financial statements. The various mining operations are segregated according to province, and a brief review of the mining activities in each province prefaces the analyses of the companies. A feature of this year's edition is the liberal supply of maps, showing the holdings in the important mining areas.

Statistical tables on production, dividends and price ranges over a period of years are also provided, and the concluding chapter is a "who's who" of the industry.

The book comprises some 220 pages, and is published by The Financial Post at $2 per copy.

Metal Prices

New York—November 6—
Copper: Electrolytic spot, 8c. lb.
Silver: 41½c.
London—November 7—
(Long Ton)—
Copper: Electrolytic spot, £35; future £36.
Standard spot, £31 10s; future, £31 12s 6d.
Tin: Spot, £225 15s; future, £225 5s.
Lead: Spot, £11 15s; future, £13.
Zinc: Spot, £15 7s 6d; future, £15 12s 6d.
Silver: 18⅝d per ounce.
Gold: 129s 11½d.
Canada—November 7.
Gold: $31.92.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING NOVEMBER 6

Range 1933 High	Low	Divd. Rate in $	Yield in % Nov. 4		Sales	Close Oct. 30 (or last)	Week Ending —Nov. 6— High	Low	Close
				A					
4.00	.25	.	...	Abitibi	3020	1.50	1.35	1.35	1.35
10	1	.	...	Do. pref. 6%	2225	5	6	5	5½
x80	80	.	...	Acme F. D'y p	....	..	..	..	..
8	4	.	...	Agnew Surp.	....	6	..	..	..
67	57½	7	11.3	Do. pref.	....	62	..	..	..
10	2½	.	...	Alta. Pac. Gr.	35	2½	3	3	3
40	19½	.	...	Do. pref.	....	20	..	..	..
1	1	.	...	Amal. Electric	10	1	1	1	1
10	8	.	...	Do. pref.	7	10	10	10	10
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
1.00	.15	.	...	Asbestos	....	1.00	..	..	..
1½	½	.	...	Do. pref.	....	1½	..	..	..
15	3½	.	...	Assoc. Brew.	15	9½	11	11	11
85	65	7	8.4	Do. pref.	30	84	83½	82	82
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
155	127	10	7.1	Bk. aCn. Nat.	95	144	145	140	140
221	150	8	4.3	Bk. Montreal	207	197	190½	186½	190
285	228	12	4.3	Bk. N. Scotia	393	280	280	275	278
215	151	10	5.4	Bk. Toronto	9	185	185	185	185
17	10	.	...	Barcelona	....	17	..	..	..
8	1	.	...	Bathurst Pr.	67	3½	3½	3	3
2	1	.	...	Do. (B)	....	1	..	..	..
†26	26	.	...	Bawlf Grain	....	..	..	..	..
20	6	.	...	Do. pref.	15	6	6	6	6
7	3	.	...	Beath & Sons	....	5½	..	..	..
15	3½	.	...	Beatty Bros. A.	....	9½	..	..	..
72	53	6	8.7	Do. pref.	....	68½	..	..	..
8½	3½	.	...	Beauharnois	1614	3½	4	3½	4
60	50	4	6.7	Belding Cort.	....	60	..	..	..
89½	85½	7	7.8	Do. pref.	....	89½	..	..	..
120½	80	6	5.4	Bell Telephone	506	109	110	109	110
9	3½	.	...	Biltmore Hats	....	8½	..	..	..
76	62	7	9.2	Do. pref.	....	76	..	..	..
4	2	.	...	Bissell, T. E.	....	2	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
6	1	.	...	Blue Ribbon	15	3	3	3	3
23	10	2	10.5	Do. pref.	17	22	23	19	23
22	18½	2	9.1	Brant. Cord. p.	35	21½	22	22	22
19	7	.	...	Brazilian Tr.	7779	12½	12⅞	12¼	12¼
3.85	55	.	...	Brew. & Distil.	8670	2.30	2.55	2.25	2.55
12	⅜	.	...	Brewing Corp.	1116	5	5½	4⅝	5
19	⅜	.	...	Do. pref.	645	13	13½	12	12½
12	10	.	...	Bright, T. G., c	....	11	..	..	..
16	7½	80c	6.2	Brit. Amer. Oil	3403	13½	13½	12⅝	13
8	1	.	...	B. C. Packers	350	2½	2½	2½	2½
20	6	.	...	Do. pref.	125	13	13	13	13
28	14	2	9.1	B. C. Power A.	1280	22	23	21	23
6¾	3	.	...	Do. (B)	885	5	5½	4½	5
25	3	.	...	Bruck S. Mills	3525	17½	20	17	19½
21	10½	1	6	Building Prod.	255	16	17	16	17
38½	20	2	6.7	Burt, F. N.	100	30	30	30	30
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
9½	1½	.	...	Canada Bread	250	4½	4⅞	3½	3½
75	40	.	...	Do. pref. A.	....	40	..	..	..
31	8	.	...	Do. pref. B.	....	30	..	..	..
18	5½	60c	5.8	Canada Bud	1060	10½	10½	10	10½
10⅞	2½	.	...	Canada Cement	2430	5⅞	6⅞	5½	6
45½	12	.	...	Do. pref.	322	27	28	26	28
b41½	7½	1	3.6	Canada Dry	9200	25	28	24	27
8	2	.	...	Can. Forg. (A)	....	4	..	..	..
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
*425	405	20	4.9	Canada Life	....	405	..	..	..
40	13½	1.50	5	Can. Malting	1231	28	30	27½	29½
17½	12	80c	5	Can. Nor. Pr.	1830	15	16½	14½	16½
90	65	7	7.9	Do. pref.	68	88½	89	88½	89
.25	.05	.	...	Can. Paving	....	.10	..	..	..
10	4	.	...	Do. pref.	....	5½	..	..	..
165	120	10	6.7	Can. Perman.	25	147	149	147	147
3½	1	.	...	Can. Steamsh's	....	1	..	..	..
9½	2	.	...	Do. pref.	105	3	3	3	3
26	13½	1.60	7.6	Can. Vinegars	36	21	21	20	20½
30	25	.	...	Can. W. Cable	....	25	..	..	..
15	7	.	...	Do. (B)	....	11	..	..	..
2½	2	.	...	Can. Bakeries	....	2½	..	..	..
10½	5	.	...	Do. pref.	....	10	..	..	..
176	119	8	5.7	Can. Bk. Com.	220	145½	145	139	141
25	9	60c	3.7	Can. Bronze	....	16⅝	..	..	..
98	70	7	7.1	Do. pref.	....	98	..	..	..
10⅞	2½	.	...	Can. Canners	15	6½	6	6	6
81	48	6	7.8	Do. 1st pfd.	18	75	77	77	77
14	3½	20c	2.3	Do. 2nd pfd.	140	8⅞	8⅞	8⅞	8⅞
11⅝	3	.	...	Can. Car F'y	490	5½	5½	5	5½
19½	9½	1.75	14.6	Do. pref.	617	12⅞	12⅞	12	12
28½	6½	.	...	Can. Celanese	535	23	21½	20½	21
112	70	7	6.9	Do. pref.	165	102	103	102	102
35	8	2	6.7	Can. Convert.	....	30	..	..	..
49	15	.	...	Can. Cottons	....	34	..	..	..
75	45	6	8.9	Do. pref.	....	67	..	..	..
22½	10	1	...	Can. Dredge	150	17	17½	17	17
85½	85	7	...	Do. pref.	....	85½	..	..	..
80	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
9½	2	.	...	Can. For. Inv.	80	6½	6½	6	6
80	35	8	...	Do. pref.	....	78	..	..	..
140	100	3	2.5	Can. Gen. Elec.	3	125	120	120	120
60	50	3.50	5.9	Do. pref.	194	58½	59	58½	59
6½	4	.	...	Can. G. Inv. T.	....	6½	..	..	..
65	34	6	11.1	Can. Hyd. E. p	137	54	54½	54	54
40	1½	.	...	Can. Ind. Alc.	28042	15½	19	14½	18½
39	.90	.	...	Do. (B)	5042	13	17½	13	16½
106	75½	3.50	3.3	Can. Industries	....	106	..	..	..
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
21	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
b3¾	1⅜	.	...	Can. Marconi	8700	2½	3	2⅝	2½
20	6½	50c	4.5	Canadian Oil	85	11⅛	11½	11	11
97	79	8	8.4	Do. pref.	25	95	95	93	93
21⅝	9	.	...	Can. Pacific	4785	13	13½	12½	12⅞
3	1	.	...	Can. Vickers	....	2½	..	..	..
7½	5	.	...	Do. pref.	....	7½	..	..	..
49	46	2	4.1	C. West'ghouse	....	49	..	..	..
9½	1½	20c	4.4	Can. Wineries	635	5	5	4½	4½
10	3	.	...	Can. Wire Box	14	10	10	9	10
10	5½	.	...	Catelli Mac. A.	....	9	..	..	..
2	1	.	...	Do. (B)	32	1½	2	2	2
245	245	8	3.3	Cent. Can. L'n	....	245	..	..	..
2.35	.50	.	...	Chem. Research	5250	1.75	1.85	1.65	1.68
12½	11½	.	...	City Gas & El.	724	..	12½	11½	11½
1.60	.20	.	...	Claude Neon	1015	.50	.50	.45	.50
15½	3	.	...	Cockshutt Plow	575	7	7½	7	7½
9	½	.	...	Comm. Alcohol	30	3	3	3	3
5	1	.	...	Conduits	....	5	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
16½	2	.	...	Cons. Bakeries	697	8½	8½	7½	7½
5	1	.	...	Cons. Indust.	....	2	..	..	..
6½	1½	.	...	Cons. Paper	1072	2½	2½	2½	2½
12	3	.	...	Cons. Press	....	8	..	..	..
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
144	54	10%^	...	Cons. Smelters	4497	126	132	125	131
190	170	10	5.5	Consumers' Gas	91	181	183	180	183
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
8	1½	.	...	Cosgrave Brew.	170	4½	4½	4	4½
10	2	.	...	Cosmos Imp.	100	6½	7½	7½	7½
75	39	3.50	4.7	Do. pref.	15	75	75	75	75
6½	1½	.	...	Crown Dom. Oil	....	3½	..	..	..
20	8	2	...	Crow's N. Coal	....	15	..	..	..
				D					
2	1	.	...	David & Fre. B	....	1	..	..	..
5	5	.	...	Do. (A)	....	5	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
19	18	.	...	Do. pref.	....	18	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
17	17	.	...	Do. pref.	....	17	..	..	..
52½	4	.	...	Distill-Seagram	6945	19	23½	18½	22½
7	5	.	...	Dodge (A) pf.	....	7	..	..	..
2	2	.	...	Do. (B)	....	2	..	..	..
175	124	10	7	Dom. Bank	28	143½	144	141	141
34	13½	2	7.4	Dom. Bridge	967	26¾	27	25½	26¾
10	3½	.	...	Dom. Coal	5	8	8	8	8
26	8	.	...	Dom. Engineer.	....	18	..	..	..
90	35	5	6.2	Dom. Glass	25	80	80	80	80
115	98	7	6.2	Do. pref.	....	113½	..	..	..
5½	1	.	...	Dom. Motors	120	1½	1½	1½	1½
2⅜	⅜	.	...	Dom. Pr. Stubs	....	⅜	..	..	..
6	⅞	.	...	Dom. St. & C B	812	2	2½	2	2½
27½	12⅞	1.20	5.7	Dom. Stores	967	21	21	19½	20½
6½	1	.	...	Dom. Tar & Ch.	....	1½	..	..	..
27	5	.	...	Do. pref.	....	24½	..	..	..
69½	39	4	6.3	Dom. Textile	3432	63½	64	62½	62½
113	93½	7	6.2	Do. pref.	55	112	113	112	113
7½	⅜	.	...	Dryden Paper	345	5	5½	5	5
5	1	.	...	Duff. Paving	....	2½	..	..	..
30	5	.	...	Do. pref.	....	28	..	..	..
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
7	1½	.	...	East Dairies	....	3	..	..	..
14	4½	.	...	East. Steel	....	5	..	..	..
76	75	7	9.2	Do. pref.	....	76	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
70	65	7	10.8	Do. pref.	4	70	65	65	65
4	1	.	...	Easy Washer	5	1	1	1	1
15½	7	37½c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78⅝	6.50	...	Do. pref.	....	..	..	..	..
3	½	.	...	Enam. & Heat.	....	2½	..	..	..
19	5	.	...	Eng. Electric	10	12	12	12	12
10	1½	.	...	Do. (B)	....	10	..	..	..
				F					
15	4	.	...	Fam. Players	....	15	..	..	..
10	8	.	...	Do. Vot. Tr.	10	10	10	10	10
15	8½	1	8	Fanny Farmer	....	12½	..	..	..
29½	23	2.40	8.1	Do. pref.	....	29½	..	..	..
†88½	75	.	...	Firstbrook Box	....	..	..	..	..
21	6	.	...	Ford Motors A	1367	11	11½	10½	11
5	1½	.	...	For. Pr. Secs.	....	2	..	..	..
10½	5	.	...	Foundation Co.	80	9½	9½	9	9
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
40	40	.	...	Do. pref.	....	40	..	..	..
				G					
6.50	.70	.	...	Gen. St. Wares	220	3.00	3.00	2.75	3.00
18	12½	.	...	Do. pref.	10	14	12½	12½	12½
114½	40	2.40	2.9	Goodyear Tire	25	85½	85	82	82
108	80	7	6.7	Do. pref.	254	105	105	103	103
†93½	93½	.	...	Gould Pumps, p.	....	..	..	..	..
3	⅞	.	...	Gt. W Saddlery	....	1½	..	..	..
15	6	.	...	Do. pref.	....	12½	..	..	..
16½	4	.	...	Gurd, Chas.	135	5	5½	5	5
100½	100	7	6.9	Do. pref.	5	100	100½	100½	100½
7½	1½	.	...	Gypsum, Lime	407	3½	3½	2⅞	3⅞
				H					
12	2½	.	...	Ham. Bridge	195	5½	5½	5½	5½
40	34	.	...	Do. pref.	....	34	..	..	..
13½	4	.	...	Ham. Cot. pf.	....	11½	..	..	..
5	1	.	...	Ham. U. Theat.	100	2	1	1	1
60	46	7	...	Do. pref.	....	60	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Hinde & Dauch	35	5	5½	5	5½
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	.	...	Do. pref.	....	..	..	..	..
3.75	.37	.	...	Honey Dew	130	.95	1.00	.95	1.00
17	6	.	...	Do. pref.	40	7	7	7	7
9⅞	1½	.	...	H. Smith Pap.	330	5	5½	4½	5½
40½	8	.	...	Do. pref.	20	32	33	33	33
25	14½	2	8	Humberstone S	10	25	25	25	25
14	4½	50c	5.6	Hunt (A)	....	8½	..	..	..
10	5	50c	5.6	Do. (B)	....	8½	..	..	..
102	77	6	7.5	Huron & E. M.	34	80	80	80	80
18	12½	.	...	Do. 20% pd.	....	15½	..	..	..
10	6	.	...	Hydro-Electric	....	10	..	..	..
				I					
185	123	10	6.7	Imperial Bank	23	148	150	148	150
16	7½	50c	3.9	Imperial Oil	10131	12½	13	12	12⅞
11⅜	7	35c*	3.1	Imperial Tob.	3867	11	11½	10⅞	11
17	17	.	...	Int. City Bak.	....	17	..	..	..
5½	5½	1	...	Inter'c. Coal c.	....	5½	..	..	..
b13½	2½	.	...	Int. Hyd. E. A	2400	5½	5½	5	5½
105	98	7	7.1	Inter. Mill. pf.	....	99	..	..	..
90	82	6	7	Do. Series A.	....	85	..	..	..
23.25	8.00	.	...	Inter. Nickel	33232	19.10	20.00	18.85	19.85
x4	4	.	...	Inter. Paints	....	..	..	..	..
b10	½	.	...	Int. P. & P. A	1300	4	3⅞	3½	3⅞
b5½	⅜	.	...	Do. (B)	600	1⅛	1⅛	1⅛	1⅛
b4	⅜	.	...	Do. (C)	900	1⅛	1⅛	1⅛	1⅛
b22½	2	.	...	Do. pref.	800	9	9⅞	8⅞	9⅞
20⅝	10⅞	1	5	Inter. Pete.	11500	19	20	18½	19⅞
5	2	.	...	Inter. Power	....	2	..	..	..
24	8	.	...	Do. pref.	....	17	..	..	..
13½	3½	.	...	Int. Util. (A)	45	4	4	3⅞	4
4½	1	.	...	Do. (B)	100	1	1½	1½	1½
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
90½	70	7	7.7	Do. pref.	....	90½	..	..	..
				K					
7½	⅞	.	...	Kelvinator	15	4	3	3	3
80	55	7	8.9	Do. pref.	....	78	..	..	..
				L					
18½	5	.	...	Lake of Woods	145	12	12	12	12
70	30	.	...	Do. pref.	10	65	70	64	65
85	80	6	7.5	Landed Bank	....	80	—	—	..
25	25	.	...	Langley's pfd.	....	25	..	..	..
49	36	3	6.2	Laura Secord	40	48	48	47	47
7	1½	.	...	Lindsay, C. W.	....	7	..	..	..
35	25	.	...	Do. pref.	....	35	..	..	..
21½	10½	80c	5.4	Loblaw (A)	1697	14½	15	14	14⅞
21	10⅝	80c	5.5	Do. (B)	170	14	14½	14	14½
				M					
7	2	.	...	MacKin. Steel	....	7	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
10½	3	.	...	Maple Leaf	....	5	..	..	..
25	5	.	...	Do. pref.	....	16	..	..	..
6	6	.	...	Marcus Loew's	....	6	..	..	..
66	35	.	...	Do. pref.	....	60	..	..	..
12	2½	.	...	Massey-Harris	4095	4	4⅞	3⅞	4⅞
15	7	60c	5.4	McColl Fron.	654	10½	11	10½	10⅞
82	54½	6	8.4	Do. pref.	12	72	73	71	71
27	5½	.	...	Melchers (A)	840	11	11½	10½	11½
14	6	.	...	Do. (B)	400	8	8	6½	8
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	35	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
17½	2	.	...	Mitchell, Robt.	50	6½	5½	5½	5½
†1	1	.	...	Monarch Knit.	....	..	..	..	..
50	20	.	...	Do. pref.	20	45	45	45	45
28	18	.	...	Montreal Cot.	....	21	..	..	..
75	50	7	11.6	Do. pref.	....	60½	..	..	..
½	½	.	...	Montreal Exhib.	....	½	..	..	..
x11	6	.	...	Mont. Is. Pr.	....	..	..	..	..
42½	26½	1.50	4.5	Mont. L. & Pr.	3574	33½	33⅞	32½	33½
42	39	3+.25	8.1	Montreal Loan	....	40	..	..	..
47	39	3.20	7.1	Montreal Tele.	126	45	46	45	45½
110	70	9	8.7	Montreal Tram	136	110	109	103	103
17½	4	.	...	Moore Corp.	245	11	11	11	11
107	65	7	7.3	Do. pref. (A)	60	95	97	96	96
125	70	7	6.7	Do. pref. (B)	24	101	110	103	110
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
4	½	.	...	Muirheads	50	1	1½	1½	1½
7	5	.	...	Do. pref.	25	6	7	7	7
				N					
29½	14½	1.60	6.4	Nat. Breweries	2489	24½	25	24	25
32	27	1.75	5.5	Do. pref.	156	30½	32	30	32
100	85	.	...	Nat. Groc. pf.	105	91	92	92	92
22	14	2.40	14.1	N. Sew. Pipe A	25	17½	17	17	17
18½	5½	.	...	Nat. Steel Car	140	10⅝	10	10	10
212	165	8	4.4	National Tr.	....	180	..	..	..
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
16½	16	3	...	Do. pref.	....	16	..	..	..
5	⅜	.	...	North Star Oil	90	1	1	1	1
4½	1½	35c	..	Do. pref.	170	2½	2½	2½	2½
				O					
211	100	8	4.1	Ogilvie Flour	115	192	195	192	193
125	108	7	5.7	Do. pref.	20	120	122	120	122
12	4	.	...	Ont. Eq. 10% p	....	9	..	..	..
105	98	6	5.9	Ontario Loan	....	100½	..	..	..
9	4	.	...	Ont. Silknit	....	4½	..	..	..
45	28	.	...	Do. pref.	15	30	30	30	30
6½	4½	.	...	Ont. Steel	....	6½	..	..	..
†105	105	.	...	Do. pref.	....	..	..	..	..
2½	⅛	.	...	Orange Crush	510	⅜	½	⅜	⅜
14	5	.	...	Do. (A)	....	10	..	..	..
3½	½	.	...	Do. (B)	15	1½	½	½	½
92	80	6	7.4	Ott. L. H. & P.	75	82½	82½	81	81
97	84	6.50	6.7	Do. pref.	15	95½	97	95	95
8	5	.	...	Ott. Traction	....	5	..	..	..
				P					
70½	40	3	4.8	Page Hersey	7	60	62	60	60
18	18	.	...	Paton Mfg.	....	18	..	..	..
92½	90	7	7.6	Do. pref.	....	92½	..	..	..
47	20	3	7.1	Penmans	100	42	42	42	42
82½	65	6	7.3	Do. pref.	....	82	..	..	..
16½	8	.	...	Photo Eng.	145	13½	14	14	14
47½	47½	7	...	Porto Rico P. p	....	47½	..	..	..
b40½	4	.	...	Postal Tele. p.	....	..	..	..	..
15⅝	6	.	...	Power Corp.	661	7½	8½	7⅞	8½
62	26	6	13	Do. pref.	....	46	..	..	..
3½	⅜	.	...	Prairie C. Oil	25	2	2	2	2
26	8	.	...	Pressed Metals	359	17	16½	15	16
4.62	.40	.	...	Price Bros.	2310	.40	.50	.45	.50
13	3	.	...	Do. pref.	50	4	3	3	3
				Q					
24	11	1	7	Quebec Power	339	14⅝	14½	14	14
				R					
95	85	5	5.9	Real Estate L'n	....	85	..	..	..
5½	⅞	.	...	Regent Knit.	....	2½	..	..	..
6	5	.	...	Reliance Grain	....	5	..	..	..
19	7	1	5.4	River. S. Mills	60	18	19	18½	19
14	5	1	11.1	Robinson Cons.	....	9	..	..	..
4	⅜	.	...	Rogers Majest.	70	3½	3½	3	3
183	123	8	5.7	Royal Bank	340	145	145	138	138
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
20	20	.	...	Russell Motor	....	20	..	..	..
45	28	4	10	Do. pref.	30	35	40	40	40
				S					
x4	3	.	...	Sarnia Br. A.	....	..	..	..	..
2	1½	.	...	Do. (B)	....	2	..	..	..
11½	2½	.	...	Serv. Station	210	6	5½	5½	5½
48	16	.	...	Do. pref.	50	30	30	30	30
22½	9½	50c	3.1	Shawinigan	2182	16	16½	15⅞	16½
17½	4	.	...	Sher.-Wms.	175	11	10	9½	10
75	39	.	...	Do. pref.	....	70	..	..	..
9	4	.	...	Simon & Son	....	5½	..	..	..
61	50	.	...	Do. pref.	40	55	55	55	55
52	6	.	...	Simpson, Ltd.	140	35	36	33	34
5	5	.	...	Do. (A)	....	5	..	..	..
6½	1	.	...	Do. (B)	5	3	3	2	2
85	46½	6	8	Simpson, R. p.	7	70	75	75	75
19½	12	80c	5.7	So. Can. Pr.	....	14	..	..	..
91	68	6	7.6	Do. pref.	63	75	78½	74	76
5.87	.15	.	...	St. Law. Corp.	530	2.75	2.62	2.50	2.50
12½	1	.	...	Do. (A)	100	6½	6½	6	6
56	15	1.50	2.7	St. Law. Flour	....	56	..	..	..
100	90	7	7.4	Do. pref.	31	100	95	90	90
25	2½	.	...	St. Law. Pap. p	115	17	17	16½	16½
13	4	.	...	Stand. Chem.	....	7	..	..	..
6	⅞	.	...	St. Pav. & Mat.	....	2	..	..	..
25	15	.	...	Do. pref.	35	15	15	15	15
19½	1	.	...	Stand. Steel	1215	10	10	9	10
x35	30	.	...	Do. pref.	....	..	..	..	..
33	14½	1.20	4.2	Steel of Can.	1238	28½	28¾	27	28¾
34	24⅞	1.75	5.5	Do. pref.	139	30½	32½	31	32
6	1	.	...	Sterling Coal	....	6	..	..	..
10½	6	.	...	Stop & Shop	....	6	..	..	..
*495	385	.	...	Sun Life Ass.	....	493	..	..	..
22½	11	1	6.2	Sup. Pete. ord.	15	16	17	16	16
19	11½	1	5.6	Do. com.	....	18	..	..	..
99	90	7	7.5	Do. pref.	5	99	93½	93½	93½
				T					
40	40	.	...	Tamblyn	....	40	..	..	..
95	79	7	8.5	Do. pref.	....	81½	..	..	..
20	10	.	...	Thayers, pfd.	....	20	..	..	..
14	7½	40c	3.6	Thrift Stores	....	11	..	..	..
30	21	1.62½	6.6	Do. pref.	....	24½	..	..	..
12	1	.	...	Tip Top Tailors	....	7½	..	..	..
70	35	7	10.2	Do. pref.	15	69	68½	68	68½
†22	10	.	...	Tooke Bros.	....	..	..	..	..
16½	12½	.	...	Do. pref.	....	15	..	..	..
27	12½	1	...	Tor. Elevators	....	20	..	..	..
93	87	7	7.9	Do. pref.	72	87	88½	87	88
167	138	6	4.1	Tor. Gen. Tr.	....	147	..	..	..
100	90	6	6.2	Toronto Mtge.	1	97	97	97	97
2½	⅜	.	...	Traymore	60	½	1	½	½
5	1	.	...	Do. pref.	227	4	4	3	4
120	107	7	6	Tuckett Tob. p.	52	115½	116	116	116
4	1	.	...	Twin City	....	3	..	..	..
b15	5⅞	.	...	Do. pref.	100	..	6½	6½	6½
				U					
7½	2½	.	...	Union Gas	200	4	4	3½	3½
40	25	.	...	Union Trust	....	25	..	..	..
†8	8	.	...	United Fuel	....	..	..	..	..
17½	4½	.	...	Do. pref.	....	5½	..	..	..
8	7	.	...	Un. Amuse. A	....	8	..	..	..
7½	7½	.	...	Do. pref.	....	7½	..	..	..
30	19½	2	7.7	United Secs.	....	26	..	..	..
				V					
7	2	.	...	Viau Biscuit	25	3	3	3	3
40	29	.	...	Do. pref.	....	29	..	..	..
				W					
18½	4	.	...	Wabasso Cot.	5	15½	15	15	15
68	4	.	...	Walker-Good.	24593	37⅞	41½	37	39½
18½	9½	1	6.6	Do. pref.	2709	14⅞	15½	14⅞	15⅞
8	1½	.	...	Waterloo Mfg.	....	2½	..	..	..
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
18	4	.	...	West. C. Flour	35	6	6½	6½	6½
70	45	3	6	Do. pref.	20	45	50	45½	50
26	8	.	...	West. Grocers	68	25	26	25	26
90	54	7	7.8	Do. pref.	....	90	..	..	..
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
59½	16½	1	2.2	Weston Bisc.	235	45	45	44	44
90½	67	7	7.9	Do. pref.	20	88½	88½	88½	88½
5	3½	.	...	Whittall Can	....	4	..	..	..
50	30	6.50	..	Do. pref.	5	35	35	35	35
5	3	.	...	Windsor Hotel	....	3	..	..	..
12	5	.	...	Do. pref.	....	5	..	..	..
5½	1	.	...	Winnipeg Elec.	310	2	2	1½	2
10½	3½	.	...	Do. pref.	20	6	5	5	5
18	7	.	...	Woods Mfg. p.	....	18	..	..	..
				Z					
1½	1½	.	...	Zimmerknit, c.	....	1½	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
^ Stock dividend.
* Plus final dividend of 17½c. paid Mar. 31.
* See "Unlisted Stocks" also.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
November 7, 1933

	Bid November 7	Asked November 7	Bid Oct. 31
Industrial Bonds:			
Abitibi P. & P. 5% 1953	23.00	25.00	22.50
Acadia Sugar 6% 1946	92.00	94.00	91.50
Albert Bay 6½% 1942	40.00	....	40.00
Alta. Pacific Grain 6% 1946	68.00	72.00	69.00
American Sales Book 6% 1939	99.00	....	99.00
B. A. Oil 5% 1945	99.00	101.00	98.50
B. C. Pulp 7% 1950	11.50	....	11.00
Burns 5½% 1948	30.00	32.00	31.00
Can. Biscuit 6½% 1946	17.00	19.00	19.00
Can. Bread 6% 1941	95.00	96.00	95.00
Can. Cement 5½% 1947	74.00	76.00	72.50
Can. Steamships 6% 1941	17.00	19.00	17.00
Can. Canners 6% 1950	97.50	99.00	97.00
Can. Copper Refin. 6% 1945	104.50	106.00	104.50
Can. Cottons 5% 1940	92.00	94.00	92.00
Can. Vickers 6% 1947	44.00	46.00	43.00
Cons. Invest. 4½% 1959	53.00	55.00	53.00
Cosmos Imp. Mills 6½% 1944	85.00	90.00	85.00
Davies, Wm. 6% 1942	97.00	100.00	97.50
Debenture & Sec. 4% 1936	59.00	....	59.00
Dom. Tar & Chemical 6% 1949	63.00	66.00	64.00
Dom. Telegraph 5½% 1978 A	94.00	97.00	94.00
Dom. Textile 6% 1949	104.00	....	104.25
Dom. Woollens 6% 1948	18.00	21.00	20.00
Donnacona Paper 5½% 1948	26.00	28.00	25.00
Eaton Realty 5% 1949	89.50	91.50	89.50
Famous Players 6% 1948	73.00	75.00	72.50
Federal Grain 6% 1949	65.00	70.00	68.00
Firestone Tire 7% 1937	105.00	106.00	105.00
Fraser Cos. 6% 1932	28.00	30.00	29.50
Fraser Cos. 6% 1950	29.00	....	28.00
Galt Brass 7½% 1941	15.00	20.00	15.25
General Steel Wares 6% 1952	56.00	60.00	57.50
Goodyear Cotton 6% 1949	102.00	104.00	103.00
Great Lakes Paper 6% 1950	22.50	24.50	22.50
Gypsum, Lime & Alab. 5½% 1948	43.00	45.00	42.00
Hamilton By-Prod. 7% 1943	84.00	86.00	83.00
Harris Abattoir 6% 1947	100.00	103.00	100.00
Howard Smith 5½% 1953	72.00	73.00	70.00
Lake St. John 6½% 1947	34.00	34.75	33.00
Loew's Toronto 6% Serial	98.00	....	98.00
Maple Leaf Milling 5½% 1949	40.00	45.00	43.00
Massey-Harris 5% 1947	57.00	59.00	57.00
McColl-Frontenac 6% 1949	96.00	98.00	95.00
McKinnon Industries 6½% 1945	95.00	....	95.00
Mercury Mills 5½% 1953	53.00	....	53.00
Metropolitan Bldg. 7% 1944	80.00	....	80.00
Minn. & Ont. 6% Serial	9.00	12.00	8.00
Northern Ontario Bldg. 6½% 1939	65.00	70.00	65.00
Price Bros. 6% 1943	59.00	62.00	62.00
Richmond Bay 6½% 1947	65.00	68.00	60.00
Simpsons Ltd. 5½% 1949	70.00	73.00	70.00
Simpsons Ltd. 6% 1949	76.00	78.50	76.00
Steel of Canada 6% 1940	104.00	105.50	104.00
Stop & Shop 6% 1947	70.00	73.00	70.00
Toronto Carpet 6% 1944	88.00	....	88.00
United Gas & Fuel 5½% 1948	65.00	70.00	69.00
United Grain Growers 5% 1948	70.00	73.00	70.00
United Grain Growers 5½% 1949	75.00	78.00	75.00
Wabasso Cotton 7% 1942	70.00	....	70.00
Western Grain 6% 1949	....	58.00	60.00
Public Utility Bonds:			
Bell Telephone 5% 1955	102.50	103.00	102.00
Bell Telephone 5% 1957	102.00	103.00	102.00
B. C. Power 5½% 1960	93.00	95.00	92.00
B. C. Telephone 5% 1960	94.50	95.50	94.00
Calgary Power 5% 1960	84.75	85.75	84.00
Can. Northern Pwr. 5% 1953	79.50	81.00	77.00
Duke-Price Pwr. 6% 1966	73.00	74.00	71.00
French Nat'l Mail S.S. 6% 1952	130.00	....	130.00
Gatineau Pwr. 6% 1941 A	68.50	69.25	68.00
Gatineau Pwr. 5% 1956	78.50	79.00	77.00
Maclaren-Quebec 5½% 1961	82.00	84.00	79.00
Manitoba Power 5½% 1951	33.00	36.00	28.00
Montreal Isl. Pwr. 5½% 1957	97.00	99.00	96.00
Montreal LH&P 5% 1951	104.00	106.00	104.00
Montreal LH&P 5% 1970	103.50	106.00	103.50
Montreal Tram 5% 1941 July	96.00	97.00	96.00
Montreal Tram 5% 1955	73.00	74.00	73.00
Northwest Utilities 7% 1938	96.00	99.00	96.00
Ottawa Valley Pwr. 5½% 1970	99.00	100.50	99.00
Quebec Power 5% 1968	88.00	91.00	88.00
Rio Tramways 5% 1935	99.00	101.00	99.00
Shawinigan W. & P. 4½% 1970	74.00	76.00	73.00
Shawinigan W. & P. 5% 1970	81.50	83.00	80.00
Shawinigan W. & P. 6% 1967	95.00	97.00	94.50
Southern Can. Pwr. 5% 1955	97.00	99.00	97.00
West Kootenay Pwr. 5% 1956	98.00	100.00	97.00
Government, Provincial & Railway			
C. N. R. 4½% 1951 Dom. Gtd.	101.25	102.00	101.25
C. N. R. 4½% 1957 Dom. Gtd.	102.00	103.00	100.00
C. N. R. 5% 1969 Dom. Gtd.	106.00	107.00	106.00
C. P. R. 4½% 1944	75.00	76.50	76.00
C. P. R. 6% 1942	102.00	103.00	102.00
Dom. of Can. 5% 1936	102.50	103.50	102.50
Dom. of Can. 5% 1941	103.00	104.00	103.00
G. T. P. 3% 1962 Dom. Gtd.	82.50	83.50	82.50
G. T. P. 4% 1962 Dom. Gtd.	95.50	96.50	95.50
Ont. Hydro 3½% 1952 Ont. Gtd.	92.00	93.00	92.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	101.00	100.00
Ont. Hydro 4% 1957 Ont. Gtd.	93.00	94.00	92.00
Prov. of N. B. 5½% 1950	104.00	105.00	104.00
Prov. of Ont. 5½% 1946	108.00	109.00	108.00
Prov. of Ont. 5% 1948	103.75	104.50	103.75
Prov. of Ont. 5½% 1944	102.25	104.00	102.25

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Banque Can. Nationale	$10	$2.50	Dec. 1	Nov. 15
Belding Corticelli pref.	7%	1¾%	Dec. 15	Nov. 30
Bulolo Gold Dredging	...	*60c	Dec. 4	Nov. 9
Bank of Montreal	$8	$2	Dec. 1	Oct. 31
Bank of Toronto	10%	2½%	Dec. 1	Nov. 15
Borden Co., c.	$1.60	40c	Dec. 1	Nov. 15
Canada Iron pref.	3%	1½%	Nov. 15	Oct. 31
Can. Converters	$2	50c	Nov. 15	Oct. 31
Can. Bank of Commerce	$8	$2	Dec 1	Oct. 31
Canadian Oil	50c	12½c	Nov. 15	Nov. 1
Do., pref.	$8	$2	Jan. 1/34	Dec. 20
Can. Hydro, 1st pref.	6%	1½%	Dec. 1	Nov. 1
Cons. Diver. Std. Secs. pfd.	...	25c	Dec. 15	Nov. 15
Cosmos Imp. Mills, pref.	$3.50	87½c	Nov. 15	Oct. 31
Champlain Oil Prod. pfd.	60c	†15c	Nov. 15	Oct. 31
Eastern Twps. Tele. c.	72c	18c	Jan. 15/34	Dec. 31
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Eastern Theatres c.	$2	50c	Dec. 1	Oct. 31
Growers' Wine "A" pfd.	70c	35c	Nov. 1	......
Do., "B" pref.	70c	35c	Nov. 1	......
Loblaw Grocet. "A" & "B"	80c	20c	Dec. 1	Nov. 11
McIntyre Porc. M.	$1	25c	Dec. 1	Nov. 1
Do., extra	...	12½+12½c	Dec. 1	Nov. 1
Mercury Oils	...	4c	Jan. 2	Nov. 30
McColl Fron. c.	60c	15c	Dec. 15	Nov. 15
Neon Prod. of West. Can. pfd.	$3	75c	Nov. 1	Oct. 14
Northwest Inv. & H. pfd.	$6	$1.50	Nov. 1	Oct. 15
National Biscuit pfd.	$7	$1.75	Nov. 29	Nov. 15
N. S. Light & Pr. pref.	6%	1½%	Dec. 1	Nov. 15
Quebec Power	$1	25c	Nov. 15	Oct. 27
Penmans	$3	75c	Nov. 15	Nov. 6
Provincial Bank	$6	$1.50	Dec. 1	Nov. 15
Royalite Oil	...	50c	Dec. 20	Dec. 5
Royal Trust	$3.20	80c	Oct. 31	Oct. 31
Rolland Paper pref.	$6	$1.50	Dec. 1	Nov. 15
Royal Bank	8%	2%	Dec. 1	Oct. 31
Shawinigan W. & Pr.	50c	12c	Nov. 15	Oct. 25
Southern Can. Power c.	80c	20c	Nov. 15	Oct. 31
Toronto Elevators, c.	...	*$1	Dec. 1	Nov. 15
United Bond & Share c.	60c	15c	Oct. 14	Sept. 30
Do., extra	...	7c	Oct. 14	Sept. 30
Vancouver West. Drug pfd.	$3.25	81c	Oct. 1	......

Dividend Rate Reduced: * Interim. † Initial.
Southern Can. Power c. Nov. 15, $1 to 80c. per annum.

Winnipeg Stock Exchange

(Transactions for week to November 3)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Nov. 3
..	..	Assoc. Breweries	100	9¾	9½	9¾
2	9.5	Blue Ribbon, pfd.	20	21	21	21
..	..	Bobjo	400	.21	.21	.21
..	..	Central Manitoba	1000	.14½	.13½	.13½
..	..	God's Lake	1050	.55	.55	.55
..	..	Island Lake	300	.09	.09	.09
1	4.8	Monarch Life	10	21	21	21
..	..	Pelissiers, pref.	20	20	20	20
..	..	Smelters Gold	1300	.26½	.25	.25
1	9.5	United Grain Gr.	35	10½	10	10½

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumb. pref.	64	65	Northern Trust	..	16
Beaver Fire	..	100	Sovereign Life	..	19
Can. Fire Insur.	55	..	Traders Bldg. Assn.	65	..
City Dairy 8% pf.	..	40	Can. Amer. Tr. shs.	..	2.95
Cres. Creamery pf.	..	18	Fundamental Ser. A	..	4⅝
Home Investment	20	..	Fundamental Ser. B	..	3¾
N. Mtg. part pd.	..	5	Group. Income Shs.	..	4.10

*Stocks more active on other exchanges not included.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

November 7, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	89.50	5.26
Alberta	5	1 July, 1948	1 Jan.	96.00	5.52
Alberta	6	1 Mar., 1947	1 Mar.	103.50	5.62
*British Columbia	4½	1 Oct., 1953	1 Apr.	89.00	5.49
*British Columbia	5	15 Jan., 1948	15 Jan.	95.50	5.45
British Columbia	6	15 Feb., 1947	15 Feb.	103.00	5.68
Manitoba	4	1 July, 1947	1 Jan.	83.50	5.75
*Manitoba	5	2 Dec., 1959	2 Dec.	95.00	5.35
Manitoba	6	1 Apr., 1947	1 Apr.	102.00	5.78
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4¾	15 June, 1936	15 Dec.	101.00	4.37
New Brunswick	5½	15 May, 1950	15 Nov.	106.00	4.98
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.50	4.45
Nova Scotia	5	1 May, 1943	1 May	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Mar.	102.50	4.21
Ontario	5	15 Oct., 1948	15 Apr.	105.00	4.54
Ontario	5½	1 Feb., 1947	1 Feb.	109.00	4.60
P. E. I.	4	1 Apr., 1939	1 Apr.	96.90	4.60
P. E. I.	6	1 May, 1947	1 May	112.00	4.81
*Quebec	4¼	1 May, 1961	1 May	102.00	4.15
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	86.50	5.57
*Saskatchewan	5	1 Nov., 1959	1 May	91.50	5.62
Saskatchewan	6	15 Mar., 1952	15 Mar.	101.00	5.91
*Newfoundland	5	31 Dec., 1952	31 Dec.	85.00	6.35
*Newfoundland	5½	1 July, 1939	1 Jan.	88.00	8.15
*Newfoundland	6½	30 June, 1936	31 Dec.	96.00	8.20
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	104.80	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	92.00	5.49
Winnipeg	5	1 Mar., 1944	1 Mar.	93.50	5.84
*Edmonton	5½	1 Apr., 1947	1 Apr.	92.50	6.33
Calgary	5	1 Jan., 1943	1 Jan.	90.00	6.42
Halifax	6	1 July, 1951	1 Jan.	115.01	4.73
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 Jan.	93.56	5.75
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
November 7, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	1.00	1.40
Acadia Sugar 6% pfd.	3.90	4.40
Acme Farmers Dairy 7% pfd.	....	35.50
Agnew Surpass 7% pfd.	62.00	66.50
Allens London 7% pfd. bonus c.	33.00	....
Allens St. Cath. 7% pfd. bonus c.	33.00	....
Allens Toronto 7% pfd. bonus c.	21.50	....
Andian Natinoal U. S. Funds	24.00	26.00
Atlantic Sugar "A" pfd.	80.00	86.00
B. C. Pulp & Paper pfd.	7.00	....
Burns pfd. bonus c.	5.00	7.00
Canada & Dom. Sugar	33.25	35.00
Canada Mach. c.	3.50	5.50
Canada Mach. pfd.	20.50	....
Canada Pack. c.	36.00	38.00
Canada Pack. pfd.	99.00	103.00
Canada Starch 7% pfd.	71.50	....
Canada Starch c.	4.25	....
Canada Tea 7% pfd.	45.50	57.00
Canada Wire & Cable 6½% pfd. W.W.	57.00	62.00
Can. Indust. c. 'A'	105.00	....
Can. Indust. c. 'B'	104.00	108.00
Can. Indust. 7% pfd.	122.00	125.00
Can. Westing.	40.00	43.00
Chase, A. W., pfd. bonus c.	14.00	18.00
Claude Neon Gen. Adv. Units	3.50	6.00
Dom. Foundries & Steel 8% pfd.	40.00	44.00
Dom. Foundries & Steel c.	4.25	6.25
Dom. Mfrs. 7% pf.	....	60.50
Dunlop Tire 7% pfd.	57.50	62.00
Eastern Dairies Ltd. 7% pfd.	....	25.00
Edmonton Stockyards Units	....	50.00
Federal Grain 6½% pfd.	22.00	27.00
General Steel Wares pfd.	11.75	13.00
Goderich Elevator & Transit	3.50	5.00
Greening Wire 7% pfd.	45.00	53.00
Guelph Carpet 6½% pfd.	67.00	....
Guelph Carpet c.	5.50	....
Inter City Bak. c.	16.25	18.50
Inter. Proprietaries "A"	30.00	31.50
Loew's Lond. c.	.30	.75
Loew's Lond. pfd.	3.25	4.25
Loew's Toronto 7% pfd.	58.50	63.00
Mansfield Theatres, pfd.	15.50	....
Massey Harris 5% pfd.	12.00	14.00
Medical Arts pfd. bonus c.	96.00	....
Mount Royal Hotel com.	.30	.75
Mount Royal Hotel 6% pfd.	....	4.25
Nat. Grocers c.	1.65	2.00
Nat. Grocers 7% pfd.	91.00	95.00
Paramount Kitchener pfd.	31.50	....
Paramount Oshawa com.	2.00	....
Paramount Oshawa pfd.	36.00	....
Provincial Paper 7% pfd.	64.50	67.00
Reliance Grain 6½% pfd.	33.00	....
Rolland Paper 6% pfd. W.W.	42.00	48.00
Serv. Stations "A" pfd.	20.00	25.00
Standard Clay Products c.	....	15.00
Standard Fuel 6½% pfd. bonus	68.25	....
Supersilk pfd. bonus	30.50	....
Supertest Petroleum "B" pfd.	21.25	....
Toronto Elevators 7% pfd.	85.00	89.00
Toronto Housing c.	10.00	....
United Corpns. Ltd. "A"	5.35	....

Ind. Stocks cont'd	Bid	Asked
United Corpns. Ltd. "B"	1.40	....
Un. Gr. Grow.	9.25	11.00
Western Grain 6½% pfd. bonus	8.00	13.00
Western Groc. pf.	85.00	91.00
Willards Choc. pf.	12.00	....
Wood, Alex. & James pfd.	16.00	21.00
Insurance Stocks:		
Br. Amer. Assce.	23.00	....
Can. Life Assce.	425.00	....
Can. Fire Ins.	55.00	60.00
Confederation Life 20% pd.	121.50	128.00
Continental Life 20% pd.	34.50	42.00
Crown Life Ins.	90.00	....
Dom. Fire Ins.	85.00	....
Dom. Life 50% pd.	156.25	....
Dom. of Can. Gen. Ins.	102.00	110.00
Empire Life 25% pd.	9.00	12.00
Excelsior Life 30% pd.	75.00	....
Federal Fire 25% pd.	37.00	....
Fidelity Ins. Co.	46.50	....
Great West Life Assce.	330.00	350.00
Guar. Co. of N.A. fully paid	20.00	240.00
Guar. Co. of N.A. 20% paid	40.00	....
Imperial Life	268.00	....
Mfrs. Life Ins.	210.00	235.00
Monarch Life 10% pd.	19.00	22.00
National Life 25% pd.	54.00	63.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	17.50	21.00
Sun Life Assur.	385.00	415.00
Western Assur. c.	16.00	18.00
Western Life 20% pd.	9.00	11.00
Trust & Loan Stocks:		
Br. Mtge. & Tr.	130.50	145.00
Can. Gen. Investments Ltd.	4.40	4.[illegible]
Can. Investors Corp.	5.00	7.00
Chartered Trust.	60.50	....
Debenture & Sec. com.	2.35	....
Debenture & Sec. 5% pfd.	14.00	....
Dom. & Anglo Invest. Units	170.00	....
Dom. Scottish Inv. Units	16.50	20.00
Eastern Can. Sav. & Loan	112.00	115.00
Eastern Trust	135.00	142.00
Investment Foundation Units	28.00	31.00
Lambton Loan & Savings	45.00	53.00
London & Western Trust	44.00	50.00
Sec. Holding Corp. pfd.	6.00	....
Sec. Holding Corp. com.	.50	....
Sherbrooke Trust	100.00	109.00
Sterling Trust	....	45.00
Traders Finance 7% A pfd.	32.00	....
Trusts & Guaran.	28.00	33.00
Victoria Trust & Savings	130.00	139.00
Waterloo Trust & Savings	90.50	110.00
Security Loan & Savings	90.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas 6% pfd.	99.00	101.00
Calgary Power 6% pfd.	76.00	80.00
Can. West. Nat. Gas. LH&P pfd.	77.00	81.00
Maritime Tel. & Tel. com.	8.50	9.50
Maritime Tel. & Tel. 7% pfd.	10.75	11.75
N. B. Telephone c.	8.00	9.00
N. S. L&P com.	25.00	32.00
N. S. L&P 6% pf.	74.00	....

Recent London Quotations:

Brewers & Distillers	10s.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 9d.
Hudson's Bay	23s. 9d.
Do., 5% pref.	91s. 3d.
Internat. Holdings	$2
Nfld. Pr. & Pap. deb. stock B	96
Trust & Loan of Can.	3s. 4d.

Listed Bond Quotations

Week Ending November 6, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	23½	...	...	18	13
Asbestos	5	1942	...	45	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	†75	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84⅝	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	4	...	...	5	3
Do., (Way. Ser.)	5½	1958	...	4	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	2.75	2.75	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44⅞	45	44⅞	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.49	†96½	...	...	98½	95½
Mont. Trams. A§	5	1955	7.44	...	...	...	81½	58
Do., G & Ref. B	5	1955	7.44	...	...	...	74½	73½
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.41	...	74	...	77⅝	76½
N. S. Steel	5	1959	...	...	...	...	*62⅝	58
Ontario Steel	6	1943	7.4	87½	...	...	90	80
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103⅞	...	...	*102⅞	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	75	...	...	79	75
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	106.75	....	....	116.25	107.00
Do.	5½	1934	3.80	101.50	101.55	101.50	102.60	101.15
Do.	5½	1937	3.17	108.50	....	....	110.25	109.25
Do., refund	4½	1940	4.24	101.25	....	....	101.25	99.70
Do., refund	5	1943	4.47	103.75	103.75	....	104.90	101.85
Do., refund	4½	1944	4.43	100.25	....	....	100.50	98.75
Do., refund	4½	1946	4.48	100.10	....	....	*92.25	91.50
Do., renewal	4	1952	4.35	95.15	....	....	95.25	91.63
Do., refund	4	1945	4.37	96.00	96.50	....	96.50	96.50
Conversion Loan	4½	1956	4.45	99.75	....	....	100.70	97.00
Do.	4½	1957	4.50	99.75	....	....	99.00	96.00
Do.	4½	1958	4.50	99.65	....	....	100.75	97.75
Do.	4½	1959	4.50	100.75	....	....	108.87	97.50
Nat. Service Loan	5	1936	3.85	103.00	....	....	103.25	101.50
Do.	5	1941	4.50	103.35	103.25	....	103.75	100.75
Dom. Loan	4	1935	3.60	100.40	....	....	99.[illegible]	99.75
Unlisted:								
Cons. Paper	5½	1961	...	....	12¼	....	....	....
Can. For. Inv. deb.	7	1949	...	....	....	....	100.00	[illegible]

†Latest ask. ‡Quotations for 1930. *For 1931. *For 19[illegible].
None recorded in 1933 to date. §Payable in Canada and New Y[illegible].

Unlisted Mining Stocks

November 7, 1933

	Bid	Ask
Abana	.04	..
Adanac G. Un.	..	70.00
Alschbach Gold	.03	.04
Athadome	.06	.09
Arntfield Gold	.75	.90
Arntfield Synd.	.75	.80
Astoria Rouyn	.02½	.04½
Bathurst	.02	.04
Beattie	1.38	1.43
Bidgood	.01¼	.02¼
Buff. Ankerite	1.10	1.18
Bussieres Min.	.32	.42
Can. Pandora	.24	.26
Can. Radium	.06	.09
Canusa Gold	.01	.03
Cochenour-Wil. Units	17.00	23.00
Continental Gas	.09	.11
Continental Gold Un.	136.00	144.00
Continental Kirk.	.04	.06
Crown Reserve	.01	.02½
Delta Units	35.00	55.00
Dorval Siscoe Units	..	25.00
Dunkin	..	.02
Dunlop Cons.	.03	.05
Eagle Oil	1.20	1.30
East Rouyn	..	.18
Echo Bay Explor.	.25	.35
Edgecreek Un.	12.00	17.00
Elbow Lake-Shore Un.	..	50.00
Fairmac Un.	..	10.00
Flintoba	..	.01
Galatea Units	15.00	30.00
Garry Gold	.16	.20
Glenora Gold	.20	.35
God's Lake	.56	.60
Goldside Units	22.00	25.00
Gr. Bear Lake	.38	.42
Great. Can. Gold	.14	.16
Greene Stabell	.44	.46
Gregg Oil Un.	1900.00	..
Herbin Lake Un.	..	20.00
Holytrex	.01	.02
Horseshoe	.12	.15
Island Lake	.10	.13
Kenty Gold	1.30	1.42
Kirk. Divide	.18	.23
Kirk. Gold	.15	.25

	Bid	Ask
Lake Geneva	.12	[illegible]
Lake Malartic	..	[illegible]
Lake Sawpawe	.20	[illegible]
Little Long Lac	.69	[illegible]
McCarthy Webb.	.10	[illegible]
McChesney Moss Un.	18.00	[illegible]
MacKenzie Red Lake	.40	[illegible]
McL. Cockshutt.	.22	[illegible]
Man. & Eastern	.04½	[illegible]
Maple Leaf M.	.21	[illegible]
Matachewan Can.	.08	[illegible]
Mecca Gold	.20	[illegible]
Metals Develop.	.03	[illegible]
Minaker Kirk.	.32	..
Mindoka	.02	.04
Minefinders	1.00	..
Minrand Gold	..	[illegible]
Montreal-Alb. Petroleum	.38	..
N.A.M.E. Units	5.00	..
Normetal Min.	.45	[illegible]
Northl'd Pros.	500.00	[illegible]
N'W Que. Pros.	15.00	[illegible]
O'Connell Gold	.22	.24
Opemiska Copper	[illegible]	..
Oro Grande Dev.	[illegible]	.06
Peninsular Pet.	[illegible]	.01
Pontiac Rouyn	.42	.45
Quebec Pros.	[illegible]	..
Queen Lebel	[illegible]	.05
Rubec Mines	[illegible]	.02½
Silveradium Un.	[illegible]	[illegible]
Silver Valley	[illegible]	.22
Smelter Gold	[illegible]	.26
Sourdough Un.	[illegible]	..
South Tiblemont Units	[illegible]	[illegible]
Sun Bear	[illegible]	.32
Sunorea Explor.	[illegible]	1.15
Swayze Contact.	[illegible]	.21
Tiblemont Island	[illegible]	.13
Tom Montgomery Un.	[illegible]	[illegible]
Trusted Inv. Syn. Un.	[illegible]	18.50
Tyrrell Tp. McN.	[illegible]	40.00
West McWatters Units	[illegible]	15.00
Young Davidson	[illegible]	.24

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

ISLAND LAKE MINE REPORT NEW DEAL BY VENTURES LTD.

Demand Note Given Ventures For Advances Made of $90,000

Shareholders of Island Lake Mines meeting in Winnipeg on November 2, ratified an agreement accepting the offer of Ventures Ltd. to finance further the operations of the company.

Under the terms of the agreement Ventures is to advance a further $75,000 and will receive repayment out of net profits on the basis of $2 for each $1 advanced. H. R. Drummond-Hay, president of Island Lake Mines, reported the treasury bare and that the company was already indebted to Ventures to the extent of about $45,000 for working capital provided up to the end of August this year. In addition, $45,000 for work and supplies had been furnished since that time. In repayment of these advances shareholders ratified the giving of a demand note to Ventures bearing interest at 6 per cent for all money due up to August 31 this year.

Development Continuing

Development at the property is being concentrated on the 240-ft. level in the hope that sufficient ore will be found to justify putting the company's mill, completed this spring, into operation.

Island Lake Mines was incorporated about a year ago to develop a gold prospect comprising some 150 claims in the Island Lake area of Manitoba. Shallow diamond drill holes were put down during the winter of 1931-32 which gave encouraging values over good widths. Without testing the ore shoot at depth by diamond drilling, Ventures Ltd. simultaneously started the construction of a 50-ton mill and the sinking of a shaft. A bombshell was given shareholders early in September when an interim report was issued by Thayer Lindsley, vice-president of the company, stating that lateral work on the 125 and 240 ft. levels had failed to find the continuation of the ore bodies encountered on the surface and prospected to shallow depths by diamond drilling and that milling operations, therefore, were being stayed until the ore situation was clarified.

Had to Build Mill

In explanation for the construction of the mill, Mr. Lindsley is reported as saying that the financing agreement with Island Lake Mines called for the construction of a mill.

Island Lake has an authorized capitalization of 4,000,000 shares of no par value of which 3,386,361 shares were outstanding as at December 31 last. Ventures at that time owned 658,048 shares and a further 945,000 shares were partially paid for under option agreement. Sudbury Basin Mines owned 400,000 shares.

J. E. Grasett & Co.

MEMBERS
STANDARD STOCK & MINING EXCHANGE

302 BAY ST.
TORONTO
WAverley 1631

FALCONBRIDGE ORE TREATED UP PROFIT IS DOWN

Quarterly Report Shows Net Profits Per Share 8 Cents

The quarterly eport of Falconbridge Nickel Mines covering the three months ended September 30, 1933, shows net profits of $256,534, equivalent to eight cents per share on the 3,199,555 shares outstanding. This brings the total earnings for the nine months period of 1933 to 22.6 cents per share and compares with earnings of eight cents per share in the first quarter, eight-and-a-half cents per share in the second quarter of this year.

Lower Grade Ore Treated

During the second quarter of this year the company's new 250-ton daily capacity concentrator and sintering plant was placed in operation. Simultaneously new extensions were made to the company's refinery in Norway. These improvements permitted, as afore-stated, 50 per cent increase in the tonnage of ore treated but the nickel contained in the matte produced increased but 35 per cent over the first quarter indicating that a lower grade ore was being treated.

The following tabulation shows earnings and production for the third quarter ended September 30 and the total for the nine months' period:

Income	$	$
Oper. Income	352,870	1,004,929
Non-oper. rev.	27,570	84,184
	380,440	1,089,114
Prov. for taxes	26,666	80,000
Depreciation, etc.	97,239	286,548
Net profit	256,534	722,565
Earn. per sh.	0.08	0.226

Production	3rd Quar. 1933	9 Months to Sept. 30, 1933
Tons treated	68,249	172,763
Nickel matte, lbs.	2,708,244	7,016,466
Copper matte, lbs.	1,252,218	3,132,150
Ref. nickel, lbs.	2,043,507	5,013,397
Ref. copper, lbs.	956,408	2,121,145

An interesting phase of the company's production in the third quarter was that the nickel in the matte produced was approximately one-third more than the refined nickel made, indicating that the refinery capacity has not yet been synchronized with the smelter output.

Lawsuit Appealed

Sales of nickel are not given.

The report says the combined smelting and refining plant reached their expanded capacity toward the end of the third quarter, which is interpreted to mean that the refinery will be treating increased quantities of nickel in the future. Stocks of nickel at September 30, 1932, were still at the minimum to take care of customers' needs, according to the report.

A suit brought against the company some time ago by Norwegian interests, which hinged on Britain's departure from the gold standard, has recently been adjusted in a lower court in favor of the plaintiff. Appeal is being laid with the Supreme Court of Norway in the belief that such findings will not be upheld. The case calls for the payment of some £16,000, which the report comments in any event would come out of next year's business.

Apple Exports Double

Apple exports from Nova Scotia this season are considerably more than double those of last year. Halifax shipments to October 25 amounted to 519,658 barrels, (compared with 203,494 last year); 24,132 half barrels, (14,582); 210 boxes, (450), and 372 cartons, (413).

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Cariboo Gold Quartz Strikes Sanders Vein

Long Crosscut Into Cow Mountain Finds Rich Vein Outcropping on Surface Hundreds of Feet Above

From Our Own Correspondent

VANCOUVER.—Potential value of the Cariboo Gold Quartz property at Cow Mountain has been substantially increased as a result of striking the Sanders vein, according to Fred M. Wells, managing director of the company. The strike represents the reaching of the long main crosscut through the mountain.

"What we have found on the Sanders veins indicates that we have located rich ore at depth," said Mr. Wells. "We do not know the extent or value of the ore so far, but we do know enough to be confident that the strike is of tremendous significance to the lode activity in that part of Cariboo."

Mr. Wells announces plans for the establishment of a townsite on the Lowhee tailings near Jack of Clubs Lake, a short distance from the mine. About forty families are ready to move in when the houses are built.

Although the first snow has fallen in the Cariboo, underground work will continue during the winter. More than 250 trucks and passenger cars are running over the Barkerville road daily.

Mr. Wells made the following statement regarding the new strike:

"The first of the Sanders veins has been broken into showing from three to four feet of the same high-class ore that has been shown in all the veins cut in this tunnel.

"Quartz, with heavy sulphides, and what is best, tellurides and free gold, is visible.

"Our main tunnel at this point is about 2,200 feet into the hill, and over 600 feet below the surface.

"It is with great satisfaction that I am able to report the cutting of the first of the Sanders group of veins. We have cut several smaller veins in the last few hundred feet, some that gave promise of ore, but this is the first for a long distance that would give ore assurance as shown where crossed by the tunnel.

"The fine ore shown in this vein is our best assurance that the long looked-for Sanders veins are standing up to the all-time only real test. Veins showing good form with free gold, tellurides, and 50 per cent sulphides, cut in the solid rock at a depth of over 600 feet is the answer Cariboo is giving respecting ore and values at depth on the mineral belt.

"Our building programme at camp is all completed and includes bunkhouse and change room, cook and dining rooom for 140 men, all steam heated. With the new Ingersoll Rand and Diesel compressor running we are able to make rapid progress with all of our work. The main tunnel is going forward at the rate of fifteen feet a day. Three shifts are being worked or rather continuous work with two drills operating in the face, with mucking machine and electric haulage, makes our tunnel development one full of interest."

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 114.3 for the week ending November 2, as compared with 109.1 for the previous week.

Eleven gold stocks rose from 106.2 to 111.5, four gold-copper stocks from 133.2 to 138.9, and five silver and miscellaneous stocks from 38.4 to 39.5.

New Industries Developing

Reports reaching the Toronto Industrial Commission show most of the newer industries in the Toronto area sustaining, and in many instances increasing, production and employment. In several cases employment has been materially increased and quite a large proportion of the new concerns have enlarged their premises.

INTERNATIONAL TRADE IN COMPRESSED WORLD

(Continued from page 9)

mind of man but for his practical experiments as well.

Hopes and Actualities

I am speaking of compression of the world, and my point is that certainly in the 20's, I felt this very compression and close contact would be the forerunner and the insurer of a world more closely integrated in peaceful effort, in business interchange, in financial stability, in economical development, in psychological neighborliness. That was in the 20's.

Looking at the world today, one wonders. Looking at the world today, one may still hope but certainly must question the soundness of that vision of the 1920's. Is it true that this very compression of the world is a promoter of peace? Is it true that it is a stimulator of business interchange? Is it true that it is a guarantor of stability? Is it true that it is a creator of understanding and of friendliness? However much one may wish to avoid these questions, circumstances of this day force them on us. It looks now as if the period just ahead would compel an answer. What that answer will be, no one knows, and certainly I do not wish to prophesy. It is interesting, however, to ask ourselves, why it is that international co-operation is not advancing but disintegrating? Why it is that international commerce is diminishing, not increasing? Why it is that trade barriers grow more, not less? Why it is that financial interchange is more difficult, not easier? Why it is that the spirit of people and so the policy of governments seems bent on nation isolation rather than internationals co-operation? A serious world, and certainly we have a serious one today, must ask itself these questions and try to answer them. It is particularly appropriate that they be asked in institutions such as Queen's. The answer does not lie in the schools of technique. It lies only in them who promote and develop the widest thought, the broadest spirit, the keenest sympathy and understanding in those complicated fields of economics, psychology and morals.

No Greater Intimacy

It is an interesting thought that a compressed world, that a consequent closer contact between its people, that quicker communication and transportation, do not necessarily lead to greater intimacy or friendliness or understanding. I was born on a farm in the hills of New York State. Our houses were widely separated. It was a real undertaking to visit your neighbor, but the people were intimate and friendly. Each was interested in the other's affairs. A new cooking utensil in the kitchen, new paper in the front hall, or a new stove in the sitting room, were of the greatest consequence and interest to all the neighborhood to say nothing of the more serious things such as the size and price of crops, the marriage of children, the controversies in the churches and in politics. Life and death, love and hate of the people within a radius of five miles were the major factors of that world in which I lived. Now I live in an apartment in New York. It may well be that I do not know even my neighbor who lives above me or below me, or him who has an entry opposite mine on the same floor. My children may not know his. Life, death, sickness, all may take place without either of us knowing. The congestion of a compressed world does not necessarily ensure, or even promote, intimacy, interest, or understanding of one's neighbors. Possibly a new factor arises that with closer contact one sets up barriers for his individual protection.

Even Raises Barriers

Social barriers may be the substitute in the cities for barriers of distance in the country. Locked doors with servants to attend to them with instructions to say "in" or "out" may take the place in thickly settled communities of the open latch string on the kitchen door in the country. Perhaps we are wrong in thinking that a compressed world breaks down barriers. Perhaps it raises them. Perhaps nations are protecting their individuality as persons do. Perhaps we have a new problem on our hands and a different kind of one from what we thought we had by this very comparison of compression of the world. Mind you, I do not say we have; I only say perhaps we have; and one cannot look upon great nations drawing back within themselves without at least justifying such a question as I propound to you.

Not Afraid of Answer

Does it mean, because I ask this question, that I am afraid of its answer? Does it mean that I expect to be depressed by its answer or that I am hopeless of its answer? It only means that the road to a better spirited and more co-operative world is not quite so straight, not quite so easy, as once I thought it was.

For example, may I test it in the field of business. There is a general feeling of hopelessness about international trade. To listen to the lamentations over so-called isolation in these depressing days one would think that goods and services would never again cross frontiers and that ships loaded would never again sail the seas. I do not share that view, but I confess to the feeling that the ships will not be loaded with the kind of cargoes I once thought they would be. It has been the vision of the free trader for a century that all kinds of goods would some day move freely and without barriers, and that gradually the place of cheapest production would determine the character of business for every country. It was apparently thought that some places were as God-given for fabrication as other for production; that the fabrication of iron in Birmingham, of textiles in Manchester, was as set in the scheme of things as production of coffee in Brazil, of tobacco in Cuba, of tea in the Orient, or of wheat in Canada. I think we have to revise our notions about these places of fabrication. Science and its machines, automatic and semi-automatic, which can be set up and operated almost anywhere, which lessen the need of great masses of skilled labor, have largely impaired the validity of the idea that there is a God-given place of fabrication.

Challenge From East

Textile output of Shanghai in the last few months has demonstrated that the looms of China can challenge the looms of England. Russia, without industrial experience or background, is undertaking to show the world that she can fabricate for her own needs and without such differential in cost or quality as to warrant importations of fabricated goods from other countries. Now, if there be no God-given places of fabrication, I think it is inevitable that international trade in manufactures will grow less.

Three Layers of Trade

For my present purposes, all objects of trade may be roughly divided into three layers. At the bottom are raw materials. Immediately above and superimposed on them are manufactured necessities and on top of the two are luxuries. My belief is that the world trade of the future will take place principally in the bottom and the top layers, and that the middle layer of manufactured necessities will diminish in volume.

After all, raw materials have been spread throughout the world unevenly, whether they be minerals in the ground, or temperatures, or rainfalls which control the crops. Copper and petroleum, wheat and cotton, must move across political frontiers. He who has them in excess must sell; he who needs them must buy. Barriers to their movement cannot survive, if the world is to maintain such a civilization and standard of life as we know. Hundreds of other commodities, large and small in volume, but many of them vital to life and living, must be moved in the trade of the world. So let us get it clear in mind that no spirit of isolation, no political policy of isolation, no disturbance of peace even, can for a very long period or to a very large extent impair the movements of the raw materials of the world. As consumption increases and domestic fabrication tries in each country to keep up with the business of international trade, trade in raw materials will not only continue but will grow.

Luxuries Protected

The extent to which there will be an international trade in luxuries depends upon the economic well-being of the world. In the last analysis it depends upon the development and refinement of taster plus the power to buy. Then, too, there is the gradual transfer from the third group of luxuries to the first group of raw material necessities. Coffee, tea, fruit, tobacco, are being treated as necessities, but certainly as luxuries as they can only be produced in those countries which Nature has provided for them. There is no substitute for the cigars of Havana, or for certain wines of France. So we shall see, I think, a great increase in international trade in the field of raw material necessities, and particularly if the world is prosperous in that of luxuries.

Speed Up Manufacture

As to the middle layer, I think each country will increasingly develop the manufacture of its own necessities. It will do so partly as a matter of national defense that it may be self-contained. It will do so partly to employ its people and make them more productive in their own interest. It will do so partly because its own economy resulting from this machine age will be improved. As a consequence, we must look, I think, for barriers to be set up against the importation of manufactured necessities as rapidly as each country can produce its own. There will be many countries, of course, which, for a long time, will be unable to do this and so they will furnish markets for the more highly industrial nations. Then, too, when nations are equipping themselves to manufacture their own necessities, there should be a large trade in providing them with machine tools and productive machinery tools of every kind. There will be, for a period at least, a large opportunity to export services of engineers and skilled operators of the new machines. That is what has taken place and is taking place in the development of Russia, and it will provide a cushion, temporarily at least, for diminishing trade in manufactured necessities. The readjustment in this field may not be abrupt but I think it is likely to be certain.

Sacrifice Necessary

The United States should be a greater exporter of raw material necessities and the largest buyer of luxuries in the world. Fortunately, I think, it will be easy to persuade our people that it is their duty to consume luxuries in order to provide an import balance so that our cotton and our copper may be exported. Such a personal sacrifice for the public economic welfare can be safely predicted.

If it be true that the world has become very small, if it be true that increased propinquity tends to generate a more intense spirit of nationalism, if it be true that fabricated necessities will move less and less in the world's trade, if it be true that materials, raw and semi-fabricated, and luxuries, and semi-luxuries, natural and manufactured, are to occupy the major place in our international exchanges, then every nation will be faced with the problem of gradually readjusting its domestic and international economy toward that end. It will be a slow process, and in many cases a painful one, but its harshness may be alleviated by careful planning in advance.

Areas of Common Interest

It will be necessary, too, to enlarge the areas of common interest between the nations. Public health is a national asset. Anything which threatens it, wherever it be in the world, is an national enemy. All nations, being interested, all will co-operate to stamp out disease, to control harmful drugs, and to relieve suffering. Scientific research and engineering application are an asset to every country and co-operation should be widened and encouraged, and can be, because there will be less competition in the world's markets in the fabricating field. The interchange of students, the freedom of travel, the exchange of professors and of educational facilities should be enlarged. The movement of books and works of art for the purpose of developing and widening culture should be encouraged. If this little world of ours must be dotted with compartments, each country seeking so far as possible, to be self-contained in material things, at least we may keep the heavens above free for the interchange of those things which, after all, are the aims of an advancing civilization.

Mr. Chancellor, ladies and gentlemen, it is but a lean acknowledgment of the honor which you have conferred on me today that I bring you only one thing more to add to that surplus which you and the world already have. I bring you only a question, a question which I cannot answer.

The report of Mr. Young's address is reproduced from the Kingston Whig-Standard.

OTTAWA SEETHES WITH CONTROVERSY AT TARIFF CHANGE

(Continued from page 9)

sentatives who were in attendance at the jute twine hearing declared that this decision would go far to create confidence in the Commission in the minds of British manufacturers.

Cotton Ruling Significant

Of even greater importance is the change in the tariff on high quality cotton goods. The Government has retraced a step taken in the autumn of 1931 and has given free entry under the preference to an important class of cotton goods. The facts are as follows: The tariff on cotton woven fabrics is fixed according to "counts" which means according to the number of hanks of yarn used to the pound of finished cloth. Fabrics containing 100 individual strands or upward are duty free. Lower counts are dutiable. Much high quality cotton goods are made with double ply yarn and until 1931 these double yarn fabrics always counted as two. But in the order issued in that year the Government instructed customs officials to count double yarn as one. This cut in half the counts of a large volume of high class cotton imports, removing it from the free list.

Now the Government reverts to the old order. Double ply yarn will be counted as two, and these high quality broadcloths, shirtings and similar goods will enter free under the preference. The cotton producers of Canada are sceptical of the change and comment reaching Ottawa from Montreal and other textile centres is very critical.

While a large volume of trade will be affected and while Manchester will reap a rich harvest as a result, the real significance of the change is that the Bennett Government has lowered the tariff on an important class of textiles. This is a new phase of the Bennett tariff policy and if pursued may bring startling developments in the next six months.

As with the Sedgwick decision, the effect on public opinion in Great Britain has been exceedingly favorable.

Mining Stock Quotations

Week Ending November 6.

Par Val.	Range 1933 High	Low	Company	Sales	Close Oct. 30 (or last)	High for week	Low for week	Close Nov. 6
1	.02½	.00½	Aconda	4,500	.01	.01½	.01	.01½
No	.30	.03	Aldermac	3,500	.18	.18½	.17	.18
1	.03½	.01	Alexandria	39,500	.01½	.02	.01½	.02
No	.06	.01½	Algoma	33,000	.01½	.02	.01½	.01½
1	.10½	.00½	Algonquin	2,000	.00¾	.00¾	.00½	.00½
1	.06	.00½	Amity Copper	17,000	.02½	.03	.02½	.02½
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.07½	.01½	Area	6,350	.04½	.04½	.04	.04½
No	.11	.03	Arno (new)	7,780	.04½	.04½	.04½	.04½
1	1.36	.74	Ashley	730	1.10	1.05	1.00	1.00
1	.14	.02½	Bagamac	2,500	.04	.04½	.04	.04
1	.03	.00½	Baldwin	1,000	.01	.01	.01	.01
1	.20	.08	Barry Hollinger	57,600	.12½	.14	.12	.13½
1	2.45	.75	Base Metals	17,381	1.68	1.70	1.60	1.70
1	1.29	.60	B. E. A. R.	48,100	.82	.85½	.80	.85½
1	.45½	.29	Big Missouri (new)	37,250	.41	.44	.38	.44
1	.28½	.08½	Bobjo	23,300	.20	.21	.18	.19½
No	13.25	2.28	Bralorne	4,100	9.70	10.00	9.40	9.75
1	.25	.14	Brett Trethewey	800	.16	.17	.15½	.15½
50c	.42	.32	B.R. Ex. Gold	3,000	.37	.38	.36	.38
1	.07½	.01½	Brownlee	87,300	.02½	.02½	.02	.02½
1	.03	.00½	Buckingham	6,500	.01½	.01	.01	.01
No	.09½	.01½	Buffalo Can.	22,000	.08½	.09	.07½	.07½
5	21.90	15.40	Bulolo	5,910	21.15	21.90	20.75	21.90
No	.10	.01½	Bunker Hill	57,000	.07	.07½	.06½	.07
5s	1.25	.60	B'Wana McKubwa	......	.75	.....	.....	.....
No	.05	.02½	Canam Metals	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland	30,700	.09	.09	.08	.08½
No	.60	.32	Can. Malartic	20,000	.44	.49	.43	.47
1	.02	.00½	Capital Rouyn	3,000	.00¾	.00¾	.00¾	.00¾
1	.03½	.01	Cartier Malartic	......	.01½	.....	.....	.....
1	.72	.15	Castle Trethewey	59,850	.46	.60	.44	.59
1	.20	.06	Cen. Manitoba	15,750	.13½	.14½	.13	.14
1	.73	.17	Cen. Patricia	34,050	.56	.60	.55½	.59
No	.20	.03	Chibougamau Pros.	33,400	.04½	.04½	.04	.04
No	.15	.03	Church. M. & Mill.	64,550	.15	.14½	.11	.11
No	.04	.00¾	Clericy	47,500	.02½	.02½	.02½	.02½
1	.03	.01	Clifton Cons.	5,000	.01½	.01	.01	.01
5	9.00	1.65	Coast Copper	1,245	4.35	4.70	4.00	4.50
1	.15	.00½	Cobalt Contact	171,800	.04½	.06	.04½	.05½
No	.48	.44	Columario (new)	29,550	.47½	.48	.44	.44½
5	1.90	.75	Coniagas	......	1.48	.....	.....	.....
No	1.00	.20	Coniaurum	10,250	.95	.92½	.86	.90
25	144.00	54.00	Cons. Smelters	4,497	126.00	132.00	125.00	131.00
No	40.00	13.60	Dome Mines	15,535	37.75	38.25	34.25	36.00
No	.15½	.03½	Dom. Explorers	22,400	.04½	.07	.04½	.05½
1	.02½	.00½	Dominion Kirk	47,500	.01½	.02	.01½	.01½
1	.04	.01	Don Rouyn	12,000	.01½	.01	.01	.01
1	.04½	.01	Duparquet	......	.01½	.....	.....	.....
1	8.10	1.16	Eldorado	70,975	3.10	3.74	3.10	3.71
No	4.55	1.80	Falconbridge	2,885	3.40	3.50	3.26	3.35
1	.06	.01	Federal	21,500	.02	.02½	.02	.02
No	.07	.01	Gilbec	22,000	.02½	.03½	.02½	.03
1	.17	.04	Goldale	13,850	.10	.10	.09	.09
10	.29	.10	Goldfield	6,500	.19	.19	.18	.19
	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.23	.02	Goodfish	27,100	.19	.19	.16½	.17½
1	.04	.01	Graham	15,000	.02½	.02½	.02	.02½
1	1.95	.55	Granada	46,225	.67	.75	.62	.75
1	.18	.06	Grozelle	2,000	.08½	.08½	.08½	.08½
1	.45	.24	Halcrow Swayze	......	.36	.....	.....	.....
1	.06	.02	Harker	8,000	.03½	.03½	.03	.03
1	.01½	.00½	Hilltop	4,000	.00½	.00½	.00½	.00½
5	11.05	6.00	Hollinger	8,430	10.60	10.75	10.30	10.40
1	1.51	.61	Howey Gold	113,400	1.18	1.20	1.09	1.13
No	12.25	3.10	Hudson Bay	586	10.00	9.95	9.15	9.15
No	.55	.25	Huronian	7,455	.50	.51	.45	.46
1	13.00	8.50	Inter Mining	......	10.00	.....	.....	.....
	4.00	2.75	Do., Pur. Warr.	......	3.85	.....	.....	.....
No	23.25	8.00	Int. Nickel	33,232	19.10	20.00	18.85	19.85
1	.04½	.00½	Jackson Manion	109,400	.03½	.03½	.03½	.03½
1	.70	.20	Keeley	4,115	.50	.50	.45	.50
1	.02½	.00½	Keora Mines	5,500	.02½	.02	.01½	.01½
1	.76	.48	Kirk. Hud. Bay	2,100	.55	.55	.55	.55
1	.02½	.00½	Kirk. Hunton	......	.00½	.....	.....	.....
1	.52	.29	Kirkland Lake	39,410	.37	.39	.36	.37
1	.04	.01½	Kirkland Premier	12,128	.02½	.02½	.02½	.02½
1	.52	.12	Kirk. Townsite	28,300	.34	.36	.32	.35
20c	.02½	.00½	Koot. Florence	34,000	.01½	.02	.01½	.01½
1	.35	.15	Lakeland	13,900	.27	.27½	.20	.20
No	.32	.07	Lake Maron	22,900	.11	.11	.10	.11
1	52.00	30.75	Lake Shore	11,790	51.25	51.50	47.75	49.25
1	.23½	.02½	Lebel Oro	7,600	.12½	.13½	.12	.12
No	.29	.11	Lee Gold	18,650	.15	.16	.14	.14½
1	1.29	.20	Macassa	84,260	.97	1.00	.95	.96
1	.07½	.01	Malrobic	60,800	.02	.02	.01½	.02
No	.17	.02½	Mandy	2,500	.09	.10	.09	.09
No	.07	.01	Manitoba Basin	12,700	.02	.02	.01½	.01½
5	48.60	21.20	McIntyre	22,183	46.50	47.10	41.00	43.00
1	.55	.30	McKinley	500	.50	.50½	.50½	.50½
No	.08	.01½	McLeod River	18,000	.02	.02	.01½	.01½
1	.35	.03	McMillan	6,600	.31	.32	.30	.32
No	1.15	.39	McWatters	8,900	.45	.45	.40	.40
1	1.05	.15	McVittie	27,050	.90	.95	.90	.92½
5	1.25	.06	Mentor Exp. & Dev	.....	1.05	.....	.....	.....
1	.45	.20	Metropolitan Gold	27,200	.25	.29½	.20	.21½
No	2.65	1.20	Mining Corp.	4,235	1.80	1.99	1.80	1.95
1	.05	.01½	Moffatt Hall	35,600	.02½	.08	.02½	.02½
1	.12½	.02	Moneta	3,000	.08	.07½	.07½	.07½
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
No	.12½	.04	Moss	2,975	.04½	.05	.04	.04
1	.03½	.00½	Murphy	10,500	.01½	.01½	.01½	.01½
No	.06½	.02½	Newbec	12,600	.02½	.02½	.02½	.02½
1	.06½	.01½	Night-Hawk Penn	8,200	.05½	.05½	.04½	.05
5	3.50	1.15	Nipissing	19,230	2.40	2.70	2.30	2.70
No	39.25	19.75	Noranda	11,880	34.25	35.25	33.75	34.00
No	.52	.30	Nor. Canada	9,525	.39	.42	.36	.37
No	.55	.19½	Normont-Gold	87,825	.50	.55	.50½	.55
1	.34	.05	Osisko	5,000	.18	.18	.16	.16
1	.46	.11	Parkhill	27,650	.40	.40½	.36	.40½
1	.08½	.01	Pawnee Kirk	......	.01½	.....	.....	.....
1	.29	.20	Paymaster	38,275	.26	.29	.25	.26
1	1.80	.50	Pend Oreille	1,875	.82	.85	.75	.75
1	.04½	.00½	Peterson Cobalt	3,000	.01½	.02½	.02½	.02½
1	16.25	4.30	Pioneer Gold B.C	3,610	11.05	10.45	9.65	9.75
1	.03	.00½	Porcupine Crown	2,000	.02	.02	.02	.02
1	.04½	.00½	Potter Doal	1,000	.00½	.00½	.00½	.00½
1	1.60	.55	Premier Gold	4,635	1.15	1.18	1.10	1.16
1	.03½	.00½	Preston E. Dome	8,000	.01½	.01½	.01½	.01½
No	1.75	.55	Prospectors Air's	500	.55	.57	.55	.55
No	.15	.03	Quemont	2,600	.07½	.07	.05	.06½
1	.51	.30	Read Authier	9,400	.33	.34	.28	.28
1	2.75	.70	Reno Gold	9,450	.93	.95	.90	.92
1	.03½	.00½	Ribago	1,500	.01½	.01½	.01	.01
1	.03	.01½	Ritchie	2,500	.01½	.01½	.01½	.01½
1	.04½	.01	Robb Montbray	7,000	.02	.02	.01½	.02
1	1.60	.75	San Antonio	14,119	1.40	1.43	1.38	1.40
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	21,402	1.11	1.15	1.05	1.08
1	1.78	1.25	Siscoe	52,140	1.48	1.49	1.40	1.46
1	.10½	.02½	South Keora	4,500	.03½	.03½	.03½	.03½
No	.16	.10½	Stadacona (new)	25,900	.12	.12	.11	.11½
1	.60	.07	St. Anthony	122,500	.41	.48½	.39½	.45
No	2.21	.60	Sudbury Basin	6,285	1.13	1.17	1.10	1.15
1	.15	.00½	Sudbury Contact	6,300	.08	.08	.07	.08
1	.02½	.00½	Sudbury Mines	13,500	.01½	.01½	.01½	.01½
No	.28	.16½	Sudbury Nickel	150	.28	.21	.21	.21
1	.38½	.14	Sullivan	19,266	.17	.20	.16	.17
1	1.44	.72	Sylvanite	29,090	1.26	1.29	1.20	1.248
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	23,100	6.20	6.30	6.00	6.05
1	.20	.03	Thom. Cadillac	30,050	.14	.16½	.13	.16½
1	.61	.10	Towagmac	1,000	.40	.40	.36	.36
1	3.00	.60	Treadwell	1,500	1.00	.90	.60	.60
1	.25	.04	United Kirkland	3,000	.20	.18½	.18	.18
No	.06½	.01½	Vacuum Gas	3,000	.01½	.01½	.01½	.01½
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.71	Ventures	27,255	.92	.91	.85	.86
1	.22	.01½	Vickers	3,000	.01½	.01½	.01½	.01½
1	.72	.20	Vipond	33,220	.48	.50	.47	.49
No	1.80	1.15	Waite Amulet	3,032	1.50	1.65	1.50	1.50
50c	.72	.33	Wayside	74,800	.45	.45½	.42	.43
No	.22	.18	White Eagle	45,700	.29	.24	.18½	.23
1	.08	.02½	White Lake	......	.04	.....	.....	.....
1	.28	.02	Wiltsey Coughlan	20,200	.16	.16½	.14	.15
1	.27	.06	Wood Kirkland	......	.10	.....	.....	.....
No	8.60	3.73	Wright-Hargreaves	51,342	8.25	8.30	7.65	7.75

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close Oct. 30 (or last)	High for week	Low for week	Close Nov. 6
No	.32	.07½	Acme Gas & Oil	17,925	.18	.19	.16½	.18½
No	.01	.01	Advance Oils	......	.01	.....	.....	.....
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
1	.07	.04	Anaconda Oil	5,000	.07	.04	.04	.04
1	1.60	.55	Ajax	4,000	1.15	1.16	1.08	1.15
1	.68	.05	Alta. Pacific	2,200	.20	.20	.18½	.20
1	.20	.05	Amalgamated	3,000	.13	.11	.09½	.09½
No	1.10	.04½	Associated	4,750	.23	.25	.20	.20
No	.26	.01	Baltac	2,000	.06	.06	.06	.06
No	2.50	.25	Calgary & Ed.	1,660	1.00	1.11	1.00	1.11
1	.45	.03	Calmont	1,700	.12	.13	.11	.11
1	.25	.03½	Common. Pete.	4,500	.08	.09½	.08	.09½
No	2.50	.11	Dalhousie	2,810	.55	.55	.50	.54
No	.19	.02	Devenish	......	.10	.....	.....	.....
No	.55	.05½	East Crest	13,983	.28	.33	.25	.32
No	.36	.20	Erie Gas	500	.20	.20	.20	.20
No	.02	.00½	Fabyan Pete	26,000	.00½	.00½	.00½	.00½
No	1.75	.06	Foothills	......	.50	.....	.....	.....
No	.28	.06	Freehold	4,600	.11	.09½	.09	.09
No	.12	.01½	Hargal	......	.08	.....	.....	.....
No	4.05	.30	Home	8,625	1.40	1.52	1.40	1.51
No	.05	.02½	Homestead	......	.02½	.....	.....	.....
1	.25	.10	Homestead O. & G.	1,300	.14	.12	.12	.12
No	.47	.10	Lowery	500	.20	.16	.16	.16
No	.06½	.02½	Madison	18,000	.03	.03	.02½	.03
No	.20	.05½	Marion Oil	1,000	.12	.10	.10	.10
No	.10	.03½	McD. Segur Ex.	56,500	.05	.06½	.05	.06
	.08½	.05½	McD. Segur N.	......	.07	.....	.....	.....
1	1.10	.25	McLeod	200	.40	.30	.30	.30
No	.30	.07½	Mercury	5,300	.19	.18	.17	.17
No	.45	.11	Merland	3,700	.21	.25	.21	.25
1	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	......	.18	.....	.....	.....
1	.50	.12	Model	100	.25	.20	.20	.20
5	.30	.09	Nordon	9,570	.12	.13	.11	.12
No	.12½	.02½	Oil Selections	12,900	.06½	.06½	.05½	.06
No	.20	.04	Okalta	1,000	.04	.05	.05	.05
No	.61	.20	Olga Gas & Oil	1,100	.26	.25	.24	.24
1	.25	.13	Petrol Oil & Gas	1,000	.16	.19	.19	.19
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	35	14.50	15.00	15.00	15.00
1	.25	.05	Sarnia Oil	6,500	.08	.09	.08	.08
No	.45	.04	South West Pete.	500	.10	.10	.10	.10
1	.39	.06	Spooner	1,400	.20	.20	.20	.20
No	.75	.12	Sterling Pacific	700	.32	.35	.32	.35
	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.28	.03	United	4,500	.06	.07	.04	.04
No	.25	.06	Vanalta	......	.08	.....	.....	.....
No	.08	.00½	Wainwell	4,600	.03	.03½	.02½	.02½

VANCOUVER STOCK EXCHANGE
(Transaction for Week to October 31.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Oct. 25 (or last)	High for week	Low for week	Close Oct. 31
25c	.03	.00½	Bayview	4,000	.01	.01½	.01	.01½
20c	.10½	.02½	Beaver Silver	21,400	.08	.08	.06½	.06½
25c	.17	.03	Big Slide	7,700	.03½	.04	.03½	.04
25c	.06½	.02	Bluebird	......	.02½	.....	.....	.....
No	13.00	1.38	Bralorne	3,598	10.85	10.65	9.50	9.60
1	.57	.05	Bridge River Cons.	19,325	.27	.26	.23	.24
50c	.71	.28	Bridge River Exp.	26,300	.37	.38	.33	.35
100	89.00	88.50	B.C. Electric, pfd.	......	88.50	.....	.....	.....
1	.60	.33	B.C. Nickel	23,450	.50	.60	.41	.56
1	1.50	.60	B C. Silver	......	.85	.....	.....	.....
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.60	1.50	Cariboo Gold	10,969	3.48	3.45	3.00	3.00
No	12.90	5.60	Coast Breweries	175	9.50	9.95	9.25	9.50
25c	.02½	.00½	Cork Province	9,000	.01	.01	.01	.01
1	.05	.02½	Cotton Belt	......	.05	.....	.....	.....
1	.08	.01½	Dalhousie Mines	......	.03	.....	.....	.....
1	.21½	.02	Dunwell	1,000	.15	.15	.15	.15
1	1.00	.28	George Copper	......	.30	.....	.....	.....
50c	.12	.03	Geo. Enterprise	......	.03	.....	.....	.....
1	.09½	.02	Georgia River	7,100	.02½	.03	.02½	.02½
1	.60	.16	Golconda	3,900	.30	.38	.32	.38
50c	1.25	.40	Gold Belt	1,250	.50	.50	.45	.50
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03	Grandview	6,000	.04½	.04½	.04	.04
1	.01½	.00½	Independence	6,000	.00½	.00½	.00½	.00½
1	.03½	.01	Indian Mines	1,000	.02	.01½	.01½	.01½
1	.17	.08½	Inter. Coal	1,400	.10½	.12	.12	.12
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.18	Kootenay Belle	3,000	.23	.23	.22	.22
25c	.04	.00½	Kootenay King	......	.02	.....	.....	.....
25c	.01	.00½	L. & L.	1,000	.00½	.00½	.00½	.00½
1	.01	.00½	Lakeview	14,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	4,200	.04	.03	.03	.03
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Mines	50,900	.31½	.31	.28	.29
	.10	.10	McGillivray Creek	......	.10	.....	.....	.....
5c	.13	.04½	Metaline Metals	......	.04½	.....	.....	.....
25c	.01	.00½	Mohawk	2,000	.00½	.00½	.00½	.00½
50c	.17	.05	Mogul	......	.05½	.....	.....	.....
50c	.41	.15	Morning Star	8,400	.21	.21½	.17	.18
1	.06	.00½	Morton Woolsey	......	.01	.....	.....	.....
1	.29	.05½	Native Sons	18,000	.08½	.09	.06½	.06½
50c	.10½	.01½	National Silver	23,850	.05	.06	.03½	.05½
50c	1.00	.74	Nicola	29,600	.96	1.00	.96	.99
50c	.21½	.02½	Noble Five	21,600	.08	.08½	.07½	.08
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.15	Pavilion	1,500	.25	.15	.15	.15
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	850	11.50	11.25	10.25	10.25
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	15,243	.08½	.08½	.07	.08
No	.04	.00½	Premier Border	1,000	.01½	.01½	.01½	.01½
1	.10	.02	Quatsino Copper	1,000	.02½	.02½	.02½	.02½
No	.42	.10	Reeves McDonald	......	.17	.....	.....	.....
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	15,400	.99	1.00	.90	.94
1	.22	.04	Reward Mining	10,200	.07½	.09	.07	.08
1	.10	.01	Rufus Argenta	2,000	.03	.03½	.03	.03
1	.07	.01	Ruth Hope	700	.02½	.02½	.02	.02½
1	.65	.35	Sally Mines	200	.45	.35	.35	.35
1	.15	.03½	Silverado	......	.06½	.....	.....	.....
25c	.09	.01	Silver Crest	39,000	.03	.03	.02½	.02½
20c	.03½	.00½	Silversmith	......	.00½	.....	.....	.....
50c	.04½	.01	Snowflake	......	.01½	.....	.....	.....
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.20	Sunloch	620	.25	.25	.25	.25
5	.40	.20	Torie	......	.40	.....	.....	.....
50c	.03½	.00½	Topley Richfield	......	.00½	.....	.....	.....
50c	.72	.08	Wayside	65,300	.50	.47	.43	.43
25c	.12	.01½	Waverly Tangier	196,650	.02½	.02½	.01½	.02½
20c	.05	.01½	Wellington	5,000	.01½	.01½	.01½	.01½
No	.36	.23	White Eagle	......	.21	.....	.....	.....
1	.18	.03	Whitewater	12,000	.06	.06½	.06	.06
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %
Ajax Oil	8c	6.95
Bulolo Gold‡	60c.	.....
Coast Brew	92c	.....
Coniagas‡	12½c	.....
Coniaurum†	3c.	.....
Cons Smelters*	10%	.....
Dome Mines	$1+55c.	4.30
Falconbridge	20c.	.....
Goldfield Cons.‡	5c.	.....
Hollinger	65c +10c.	7.21
Howe Sound	$1	.....
Int. Coal & Coke‡	2c.	.....
Lake Shore	$2+$1	6.09
McIntyre	1.87½	4.35

*Stock. ‡Interim. †Initial.

	Rate	Yield %
McLeod Oils‡	5c.	.....
Mercury Oils	4c.	.....
Merland Oils‡	5c.	.....
Noranda‡	50c.	.....
Petrol Oil	*2c.	.....
Premier	12c	10.34
Pioneer, B.C.	60c	6.15
Royalite	$1	.....
Siscoe	12c.	8.21
Sterling Pacific Oil‡	3c.	.....
Sylvanite	4+3½c	.....
Teck-Hughes	60c.	9.91
Wright-Har	20c.+10c.	3.87

*Paid in 1932.

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The Week in Mining

The Gold Stocks

THE market in gold stocks is on an uneasy trend, apparently reflecting the uncertainties of the trend of gold. Notwithstanding the fact that gold has sold up to $32.84 per ounce in the United States and that United States and Canadian funds are at par in New York, the Canadian golds do not show their customary buoyancy.

To what price gold will soar is anybody's guess, but with the United States outbidding the world market for gold as established in London, there is no indication that lower prices will prevail until United States obtains what it desires. One unusually well-informed man in Washington does not think that the United States Government will drop the purchase of gold until there is a minimum price of $35 per ounce and that it is more likely to go to $40.

Last week a broker's report that the Canadian Government was about to impose a high tax on gold profits provided an opportunity for the bear traders and the gold stocks sold off. Subsequent events showed that the Government, at least immediately, is not levying any discriminating taxes on the gold producers. The pros and cons of levying such a tax have been discussed many times in these columns. Indications are that the Canadian Government is not prepared to emulate South Africa and introduce any extra taxation during a period of interim prosperity for the gold mines and thus be responsible for the wet blanket that would be thrown on the gold mining industry and the prospecting activity, which is at new record heights throughout the Dominion.

* * *

Nicola

NICOLA MINES & METALS CO. is another British Columbia stock under the sponsorship of New York interests known as Bartley & Co. Shares of the company appeared on the Vancouver Stock Exchange on April 26 and sold from 74 to 80 cents. A remarkable feature of the transaction has been the very steady climb to a recent high level of $1 per share, all of which is accompanied by heavy tides of favorable propaganda emanating from undisclosed sources.

As the public is asked to finance the programme after the lamentable failure of the predecessor company's efforts that extended over a term of years, the investor should try to ascertain what he gets when he pays $1 per share.

The British Columbia minister of mines reported in an unfavorable manner on the earlier operations, but stated that the property might be looked upon as representing one of the best prospects in its area.

Unfortunately there are no profitable properties in the area. The former operator of the property, which went into liquidation, failed for a number of reasons, primarily because he did not develop sufficient ore to maintain the 80-ton mill built before the property was in condition to feed it. The veins developed in the past varied from four to 46 inches and carried values from $2 to $20 per ton in gold and silver. This, together with metallurgical problems, swamped the predecessor company. This much can be said for the resuscitation effort by Nicola: it is aggressively carrying out further development, but no details are published of the widths or assays of the veins encountered. Like all other gold producers, the present price of gold temporarily, at least, is an added stimulus to resuscitate the property.

* * *

B. C. Nickel Shares

SHARES of B. C. Nickel Mines have been the outstanding market performers on the Vancouver Stock Exchange. Over a week-end they advanced 45 per cent. From 41 cents on Saturday they jumped to 60 cents a share on Monday with little or no knowledge of further developments at the property available beyond the fact that "Sell 'em Ben" Smith was behind the company and with his cohorts was financing the elaborate programme of development now under way. The name of "Sell 'em Ben" Smith behind a mining operation acts like a magician's wand to some people and causes stock to soar as will be testified to by the action of Pioneer Gold Mines shares. Last year these Pioneer shares sold for $3 per share, but upon the entry of "Sell 'em Ben" Smith into the picture they soared to a new high level of $16.25 per share in June of this year. Like the king's horses, Pioneer Gold shares marched up the hill, and are marching back again, current prices touching a low of $8.75 per share.

Whether or not B. C. Nickel Mines will respond in a like manner is a matter of conjecture, but the enterprise is not lacking favorable propaganda.

Another Lindsley Company Passes Out of Existence

Shareholders of Sudbury Nickel & Copper are in receipt of announcement calling a special general meeting to be held in Toronto on November 16 to ratify an agreement for the transfer of its assets to Sudbury Basin Mines.

Under the terms of the agreement Sudbury Basin is to take over the entire assets of Sudbury Nickel & Copper in consideration of cancelling the indebtedness to Sudbury Basin amounting to $572,811 and transferring 3,432 shares of Falconbridge Nickel for distribution to shareholders of Sudbury Nickel & Copper on the basis of four Falconbridge shares for each 55 shares of Sudbury Nickel & Copper held. After this distribution Sudbury Nickel & Copper will be wound up.

Extend Air Mail Service In North

Extension of the Dominion's air mail system within the next few weeks will include the carrying of air mail to Camsell River which is about 35 miles from Cameron Bay, the principal settlement on Great Bear Lake and also delivery of mail to Coppermine, on the shore of the Arctic Ocean, 200 miles north of Cameron Bay. Post offices will be opened at Camsell River and Coppermine.

Canadian Mining News

GOLD PRODUCTION BY ONTARIO MINES $34,788,569 IN 9 MO.

Higher Price Gold Induces Treatment Lower Grade Ore

Ontario gold mines during the first nine months of 1933 treated a slightly higher tonnage than in the corresponding period of 1932, but the value on the standard basis ($20.671834 per fine ounce) was $1,845,408 less. However, with premiums added, the value was $2,249,410 greater than in 1932.

The high price of gold has permitted some of the mines to treat ore of a much lower gold content than heretofore. It should be pointed out that the treatment of lower grade ores will greatly lengthen the life of the mines.

Exchange compensation during the period totalled $8,520,388 of which $4,115,634 was credited to Porcupine, $4,081,440 to Kirkland Lake, and $323,314 to the mines of Northwestern Ontario. The total nine months premium in 1932 was $4,425,570. Thus, with exchange added the value in Canadian funds in 1933 was $41,463,549 as compared with $39,214,139 for the corresponding period in 1932.

The following tabulation gives the production of the various mines and camps for the third quarter of 1933 together with the nine months total.

	1933 3rd quar.	9 months
PORCUPINE CAMP		
Buffalo Ankerite		
Total recovery, $	124,090	334,090
Tons milled	28,214	80,884
Rec. per ton, $	4.40	4.13
Tons daily	306	296
Coniaurum		
Total recovery, $	179,112	547,683
Tons milled	36,510	108,722
Rec. per ton, $	4.90	5.04
Tons daily	393	398
Dome		
Total recovery, $	1,050,325	3,433,616
Tons milled	136,210	409,300
Rec. per ton, $	7.72	8.40
Tons daily	1,480	1,497
DeSantis (Haden)		
Total recovery, $	5,029	7,545
Tons milled	1,807	3,300
Rec. per ton, $	2.78	2.28
Tons daily	...	...
Hollinger		
Total recovery, $	2,495,391	7,402,708
Tons milled	429,788	1,277,307
Rec. per ton, $	5.80	5.80
Tons daily	4,660	4,680
McIntyre		
Total recovery, $	1,349,236	4,109,288
Tons milled	192,500	558,860
Rec. per ton, $	7.00	7.85
Tons daily	2,090	2,045
Vipond		
Total recovery, $	108,763	367,427
Tons milled	26,523	82,464
Rec. per ton, $	4.08	4.45
Tons daily	288	302
Miscellaneous		
Total recovery, $	10,896	13,412
Total Porcupine Camp		
Total recovery, $	5,327,874	16,218,285
Tons milled	853,055	2,522,430
Rec. per ton, $	6.22	6.42
Tons daily	9,270	9,250
KIRKLAND LAKE CAMP		
Ashley		
Total recovery, $	93,199	261,509
Tons milled	10,150	27,168
Rec. per ton, $	9.00	9.60
Tons daily	113	99
Atlas		
Total recovery, $	175	175
Tons milled	12	12
Rec. per ton, $	14.60	14.60
Tons daily	...	...
Barry-Hollinger		
Total recovery, $	....	*60,778
Tons milled	....	5,459
Rec. per ton, $	....	11.00
Tons daily	....	....
*No production in 3rd quarter.		
Kirkland Lake Gold Mining		
Total recovery, $	82,586	301,196
Tons milled	12,093	35,791
Rec. per ton, $	6.88	8.45
Tons daily	130	131
Lake Shore		
Total recovery, $	2,601,731	7,766,038
Tons milled	238,950	596,791
Rec. per ton, $	12.50	13.00
Tons daily	2,270	2,185
Sylvanite		
Total recovery, $	246,601	652,648
Tons milled	24,610	70,667
Rec. per ton, $	10.00	9.23
Tons daily	267	259
Teck-Hughes		
Total recovery, $	1,028,454	3,551,370
Tons milled	119,600	354,900
Rec. per ton, $	8.60	10.00
Tons daily	1,300	1,300
Toburn		
Total recovery, $	112,607	364,123
Tons milled	9,345	27,608
Rec. per ton, $	12.05	13.18
Tons daily	101	101
Wright-Hargreaves		
Total recovery, $	944,756	2,732,854
Tons milled	69,592	215,318
Rec. per ton, $	13.50	12.70
Tons daily	754	788
Total Kirkland Lake Camp		
Total recovery, $	5,110,118	15,690,693
Tons milled	454,352	1,333,714
Rec. per ton, $	11.25	11.76
Tons daily	4,930	4,880
NORTHWESTERN ONTARIO CAMP		
Howey		
Total recovery, $	187,301	638,323
Tons milled	76,306	244,655
Rec. per ton, $	2.45	2.61
Tons daily	830	895
Minto		
Total recovery, $	29,119	99,253
Tons milled	6,220	16,679
Rec. per ton, $	4.68	5.98
Tons daily	68	61
Moss		
Total recovery, $	45,083	160,924
Tons milled	8,957	26,944
Rec. per ton, $	5.03	5.97
Tons daily	97	99
Parkhill		
Total recovery, $	32,171	135,684
Tons milled	*530	6,355
Rec. per ton, $	....	21.35
Tons daily	....	....
*Intermittent operations.		
Total Ontario Gold Mines		
Total recovery, $	11,544,649	34,788,569
Tons milled	1,401,154	4,096,711
Rec. per ton, $	8.35	8.50
Tons daily	15,200	15,000

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Higher Silver Prices Foreseen As Possible With Inflation Policy

Canada Third Largest Silver Producer in World

GOLD PRICE IS HELP

Many Mines in Canada Stand to Profit Immediately Should Silver Advance

The United States dollar devalued to 50 per cent of its former gold and the possible establishment of silver as an additional monetary bulwark for the dollar was foreseen by the Hon. H. H. Stevens, Minister of Trade and Commerce, in a speech in Ottawa this week.

With the United States Government bidding gold up to $32.84 per ounce in support of its inflation programme to induce higher prices for commodities, the opinion of the Hon. Mr. Stevens is shared by many close observers of the monetary war that is now in the offing. If commodity prices in general are forced to higher levels it is foreseen that silver will have a place, which is expected to give the metal a more secure and valued position with relation to gold.

Canada Third Silver Producer

With the discovery of the Cobalt silver camp thirty years ago Canada became one of the leading silver producing nations of the world and held third place only to Mexico and United States. Although the Cobalt silver camp has ceased to be an important silver producer, owing to the depletion of the leading operations there, Canada still maintains its relative position in the world as a silver producer, with the principal output coming from association with the more important ore. Only two straight silver producers of importance are in operation in Canada today, that is, the O'Brien mine at Cobalt, operated by private interests and the Miller Lake O'Brien mine operated by the same interests a few miles away in the Gowganda area of Ontario. All other silver produced in the Dominion is reported as a by-product of more important ores treated with the gold mines accounting for a substantial volume.

In Quebec the Noranda Mines is the largest silver producer. Here the metal is found associated with the gold-copper ore. A larger production of silver is anticipated as Noranda swings into larger scale gold and copper production next year with the completion of its concentrator addition.

Castle-Trethewey Mines

In Ontario the property most likely to be affected by higher silver prices is the Castle-Trethewey Mines, controlled by the McIntyre-Porcupine interests. This property was an important silver producer between 1922 and 1931 when operations were suspended owing to the low price of the metal. At the time the property was closed down development was being concentrated in a new unexplored area which responded in a most encouraging manner. While the operation could not be termed large, it is equipped with a 100-ton mill and its average normal silver production was between 800,000 and 900,000 oz. annually.

In addition to its potentialities as a silver producer it has current assets equivalent to about 50 cents per share.

It is understood that the interests controlling the McIntyre-Porcupine Mines have retained large holdings in Castle-Trethewey.

The only other exclusive silver mining company in Ontario that promises to profit by an increased price for silver is the Nipissing Mines Co., and while today it is not a producer, but a holding company, it has an inventory of some 2,900,000 oz. silver unsold. There is no indication that production will ever be resumed at the Cobalt property, but in addition to its holdings of silver it owns or has an option on 38 per cent interest in the Beattie Gold Mines and its current assets including its silver are estimated at approximately $1.65 per share. The shares of the company have been selling at around $2.40 each.

In Manitoba the Hudson Bay Mining & Smelting Co. recovers an important production of silver from its copper-zinc ore. At the current rate of production the annual silver output from this property is just over 1,200,000 oz.

Sullivan Largest Producer

British Columbia accounts for 45 per cent of the silver production of Canada, principally from the Sullivan mine of the Consolidated Mining & Smelting Co. The current rate of output of silver from this property is about 5,500,000 oz. annually. Having regard for this production, Consolidated Mining & Smelting Co. will profit to a greater extent than any other Canadian mining operation from any increase in the price of silver. In addition, the company controls several former silver producers that might again be brought into production

Premier Second Largest

Next to the Consolidated Mining & Smelting Co. the Premier Gold Mining Co. is the largest producer of silver found associated with the gold ore at the Premier mine in the Portland Canal Mining Division. In 1932 this property produced 1,713,037 oz. silver found associated with 78,716 oz. gold. This does not correctly interpret the silver producing possibilities of Premier as in addition it controls the Porter-Idaho Mining Co., which initiated production in June, 1930, and produced 81,217 oz. silver before the decline in silver prices forced the suspension in April, 1931. This property is equipped for production and stands to profit when silver prices again make operations attractive. Premier also owns 76 per cent interest in the Prosperity group of claims which came into initial production in 1930 and which until operations were suspended in 1931 produced 1,500,000 oz. silver. This property showed considerable promise before silver dropped to record low levels.

Given an increased price for silver, Premier Gold Mining stands to profit second only to the Sullivan mine. In addition, the company is earning its current dividend of 12 cents per share and has current assets of some 45 cents per share. It also controls the Toburn Gold Mines which is giving a good account of itself and showing an operating profit of about $30,000 per month. Premier is controlled by the American Smelting & Refining Co., one of the large, well-managed mining organizations of the United States.

B. C. Silver Mines, owning property adjacent to the Premier Mines, looms as a potential producer of silver. For several years the company and Premier have been endeavoring to effect an arrangement to treat the B. C. Silver Mines ore in the Premier mill, but no satisfactory arrangement has been effected.

Beaver Silver Mines operates a property adjoining the Bell and Salley Mines near Beaverdell, B.C. Development work was resumed this year

In addition, there are literally hundreds of small silver producers scattered throughout British Columbia that stand to profit by increased silver.

Siscoe Gold Output At Record Levels

Production by Siscoe Gold Mines for October was $104,212 from 9,553 tons of ore milled, a new monthly production record. This is an average recovery of $10.95 per ton and an average milling rate of 307 tons daily. In addition, the company received exchange compensation not yet computed. This compares with an October production in 1932 of $80,420 and brings the total normal value of the gold produced in the ten months of 1933 to $927,757.

ANGLO-HURONIAN TO DO FINANCING OF NIGHT HAWK

Capital Revamped With Title Vested in Porcupine Peninsular

Following the ratification by directors of Night Hawk Peninsular Mines last week, its properties are to be transferred to a subsidiary — Porcupine Peninsular Gold Mines — which now becomes the operating company. This plan permits arrangements to be made for financing further development.

Porcupine Peninsular Gold Mines will have its capitalization increased from $1,000,000 in $1 par value shares to $3,000,000 in like shares. One million shares will be transferred to the Night Hawk Peninsular Mines, which now becomes a holding company and 2,000,000 shares will be available to finance a thorough geological examination of the property.

Owing to the complicated capital structure of Night Hawk Peninsular Mines embracing both common and preferred stock as well as some $400,000 in bonds outstanding, further financing is impossible without simplifying of the capital structure. By the medium of the subsidiary, Porcupine Peninsular Gold Mines, however, an arrangement has been made with the newly formed Anglo-Huronian Ltd. which undertakes to provide the necessary financing. Already $10,000 has been paid on the new agreement and plans call for the immediate geological examination and development of the property under the direction of W. E. Segsworth, M.E., consulting engineer, who is also treasurer of the company. Other officers of Porcupine Peninsular Gold Mines are J. Albert McKay, Pittsburgh, pres.; J. H. Black, Toronto, vice-pres.; J. R. Dodworth, Jr., and Paul Dodworth of Pittsburgh; George A. Grover, of Toronto.

Produced $566,885

The property, comprising some 785 acres in Cody and Macklem townships, Porcupine district, has been inactive since May, 1926. Former operators sunk a shaft to 1,000 ft. in depth and did some 4,500 ft. of lateral work. They also constructed a small mill which operated from 1924 to 1926 during which period gold bullion to the value of $566,885 was produced.

With gold at current prices, having regard for the rather low grade nature of the ore, the property takes on new significance. Under the terms of the agreement a well financed and well directed programme promises to give a conclusive trial to this long dormant property.

ST. ANTHONY MINES NEW POWER PLANT MAKINGPROGRESS

Mill Rehabilitation and Power Plant to Be Ready April 1

Construction operations at the St. Anthony Gold Mines in the Sturgeon Lake area are well ahead of schedule and indications are that the winter programme will be met and the whole plant put into operation before April 1, 1934, The Financial Post was told.

Work is centred on excavation and construction of the hydro-electric power dam and power house. The water course has been diverted, concrete wing dams poured and preparations made for completing all foundation work before the freeze-up. The 1,000 h.p. hydro electric units have been delivered at the power site as have the transformer units. During the winter installation of this equipment will proceed, which will provide the mill eight miles away with electric energy. The power line has been cut through the bush, and where it spans open water, steel towers will be erected.

New Mill Equipment

The mill constructed many years ago will be completely rehabilitated. All of the old machinery with the exception of the coarse crushing equipment has been discarded and a new ball mill, classifiers and cyanide tanks have been delivered. Altogether some 575 tons, equipment and supplies, have been taken into the property and an expenditure of about $100,000 made on the property since the beginning of summer, when a new financial group provided backing to give this old producer another chance. Lawrence B. Wright, formerly with the Homestake Mining Co., is consulting engineer in charge of operations.

No work is being done underground and the mine will not be pumped out until electric power is available. The underground development in former years is estimated to provide sufficient ore for two years' operations for the new 125-ton mill. In addition, there are 50,000 tons of mill tailings, the product of the former operations, which give an average assay of $6 per ton. The treatment of these old tailings will be undertaken simultaneously from underground developments.

Additional mining news on pages 14 and 15 this week

B.E.A.R.

Bear Exploration and Radium, with property located in the rich silver-radium area of Great Bear Lake will shortly commence producing silver.

Silver

speculative features have been removed and a profitable price for this metal assured for a number of years. The future price trend would appear to be upward.

We believe the shares of B.E.A.R. which are actively traded on the Standard Stock and Mining Exchange offer genuine speculative attractions.

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Held in Treasury, 1,550,000 Shares.

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Maple Leaf Mines, Ltd. among other promising gold properties holds acreage in the Little Long Lac area. Send for full particulars to » »

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COLUMARIO

Incorrect and misleading statements are current, and as shareholders who have bought since the Special General Shareholders' Meeting, and others, may not have the correct information as to the new arrangement to provide for financing this development to production, this statement is published:

HERE ARE THE FACTS:

The Company has claims totalling over 600 acres in one block, located in the Omineca District, B.C.

Development was begun by the Columario Gold Mines Limited, in 1927, and a sum of approximately $150,000 has been already spent on the property.

A complete mining plant is on the property, and over 4,000 feet of tunnelling has been driven.

William G. Norrie, Consulting Mining Engineer, states in his Report on the property:—

"Within this range concentrated exploration and development has shown up eight ore shoots, aggregating 518 feet in length, with an average width of 22 inches, and an average value of $12.30 per ton in gold, to which should be added about 50c per ton for silver."

(These figures are based on a price of gold of $20 per oz.)

". . . a rough calculation indicates that between the Tenderfoot Tunnel and the No. 4 Upper Tunnel it will be possible to develop approximately 75,000 tons of ore from the known ore shoots."

"The mine has reached a stage now where it can be definitely stated that the prospects for developing a fair tonnage of ore of payable grade are good, and that it shows every evidence of becoming a profitable producer."

"After careful consideration, therefore, the writer is of the opinion that the Company is fully justified in incurring the additional expenditure required for mill construction and permanent development of the property."

For lack of funds all work had been discontinued, and as all treasury shares had been issued, the Company was faced with a situation necessitating either re-financing or the abandonment of a very valuable and promising property, on which already many thousands had been spent.

Methods for financing further development were considered at a Special General Meeting of Shareholders, called for that purpose, at which over 75% of the shares issued and outstanding were represented.

A plan was submitted whereby a new company would be incorporated to take over the assets of the old company in exchange for 1,000,000 shares of stock, this stock to be pooled and shareholders of the old company to get share for share when the pool is dissolved. This plan was unanimously approved at the above meeting. Following this action Columario Consolidated Gold Mines Limited was incorporated and $75,000 in cash was procured for the treasury. In order to carry out the arrangement under which this money was brought in, application was made to the Standard Stock and Mining Exchange to have the shares in the old company delisted and the shares of the new company listed. This application was granted. Shares of the old company are now being bought and sold freely on the over-the-counter market.

The introduction of this new capital enabled the Company to immediately initiate the programme of development outlined and recommended by our Engineer, which includes the building of a mill. The work has been commenced and is being carried on vigorously, under the direction of Mr. H. L. Batten, M.E.

Shareholders are advised to have their shares registered in their own names at the Chartered Trust & Executor Company, 34 King St. W., Toronto, so that they may receive reports to be issued from time to time, showing the progress of the enterprise.

Any shareholder wishing further information, please communicate with the Company.

Columario Consolidated Gold Mines, Limited
507 Confederation Life Bldg., Toronto

New 1933-4 Edition

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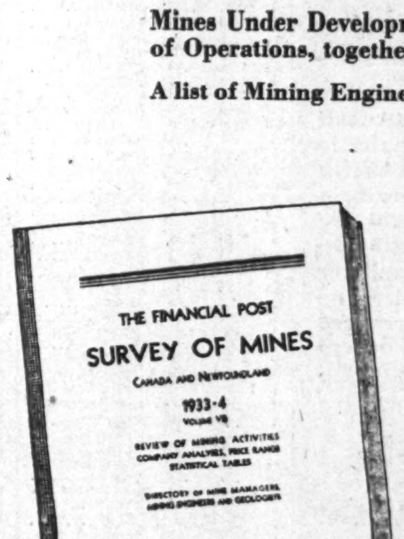

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